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FISCAL IMPACT STUDY FOR THE COUNTY OF SACRAMENTO

Volume 2:

The Guidelines for Implementing the Sacramento County Economic/Fiscal Impact Assessment Process

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Prepared for the
Community Development and Environmental Protection Agency
County of Sacramento

June 1975

by

DUNCAN & JONES
Urban and Environmental Planning Consultants
Berkeley, California

in affiliation with

McDONALD & SMART, INC.
Planning and Management Consultants
San Francisco, California

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I. INTRODUCTION

Sacramento County has initiated an effort to develop the capability for assessing economic and fiscal impacts of development proposals and land use plans and policies by retaining McDONALD & SMART, Economic and Management Consultants, in affiliation with DUNCAN & JONES, Urban and Environmental Planning Consultants, to prepare the necessary methodology and guidelines for performing these assessments, and to conduct the essential training of the County's Community Development and Environmental Protection Agency's staff (CDEPA). This document, Volume 2: The Guidelines for Implementing the Sacramento County Economic/Fiscal Impact Assessment Process, details the analytic techniques for assessing economic and fiscal impacts. Together they comprise The Fiscal Impact Study for the County of Sacramento.

1. The Scope of the Guidelines

The Guidelines recommend the operational, regulatory, and technical procedures by which Sacramento County can implement an Economic/Fiscal Impact Assessment Process (E/FIAP). They outline the procedure by which the Board of Supervisors can formally adopt a resolution to incorporate requirements for the assessment of economic and fiscal impacts into the County's Environmental Impact Report Guidelines, and propose language for such a resolution. The Guidelines outline the operational procedures for preparing an Economic/Fiscal Impact Report (E/FIR). They include a determination of the situations warranting E/FIR's, and outline the appropriate content and level of details of E/FIR's, both at the project and the plan level. They include a summary of the results of a trial run of the Methodologies. The technical aspects of implementing the process are addressed; specifically, the Guidelines indicate the necessary data for applying the Methodologies, and the appropriate means for collecting data and efficient formats for their organization and maintenance. In addition to answering the immediate questions regarding how to implement an economic/

fiscal impact assessment procedure, the Guidelines describe the steps the County can take, including the new intergovernmental links that are necessary and the new County functions that are implied in order to integrate the impact assessment process more thoroughly into the County's continual planning functions.

2. The Relationship of the Guidelines to the Methodologies

The Guidelines and the Methodologies are closely related in purpose. They have been developed simultaneously and in an interrelated fashion in order to outfit the County's Community Development and Environmental Protection Agency with both the analytical methodologies for conducting E/FIR's and the procedural, regulatory, operational, and technical guidelines for implementing the process of assessing economic and fiscal impacts.

3. Relationship of the Guidelines to Future Impact Assessment Process

There are two developments which could potentially affect Sacramento County's impact assessment process. The first is the County's own aspiration to add in the future the capability to assess social impacts to its existing environmental impact reporting procedure. The proposals contained in the Guidelines, when integrated with the EIR process, will carry the County one step closer to achieving a Comprehensive Impact Assessment Process that addresses economic, fiscal, and social, as well as environmental impacts. The recommendations in the Guidelines are designed to complement the existing requirements for environmental impact reports and to anticipate the likely requirements for assessing social impacts.

The second development is the possible passage of California legislation mandating the content of economic impact reports. Such legislation could condition the scope and content of Sacramento County E/FIR's. Although it is difficult to predict what such legislation might contain, both the Guidelines and the Methodologies have attempted to anticipate any requirements in the immediate future.

4. Framework for Relating the Impact Assessment Process to the Planning Process

This section reviews a conceptual framework for characterizing the status and degree of advancement of the Sacramento County planning process, which first was introduced in The Guidelines for Implementing the Economic Impact Assessment Process (OPR Guidelines).[1] Although the framework was conceived as a way of characterizing the entire range of California local jurisdictions in relationship to their planning functions, it is useful to review here, since it also can be viewed as characterizing the potential application of the Sacramento County economic/fiscal impact assessment process as the County progresses from performing a relatively simple impact assessment function on a project-by-project basis to an assessment function fully integrated into the planning process. Later chapters will illustrate that the contribution of the E/FIR assessment process will change and the benefits of its application will increase as the County moves toward a more fully integrated planning process. The conceptual framework is described in greater detail below and is illustrated in Figure 1.

a. Status of Planning Activity

The following four case descriptions, representing four points on a continuum, illustrate a range of local jurisdictions with regard to their planning functions. At one end is Case A, representing jurisdictions undertaking impact assessment on a project-by-project basis in the absence of an adopted General Plan for which economic and fiscal impacts have been assessed. In this respect, Sacramento County is an example of a Case A jurisdiction. Case D, at the other end of the continuum, represents a jurisdiction which has fully accomplished the integration of the impact assessment level with its other planning activities. Cases B and C are midpoints on the continuum through which Sacramento County can reasonably expect to move as it progresses toward Case D status.

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1. Prepared for the California State Office of Planning and Research by DUNCAN & JONES in affiliation with McDONALD & SMART, INC., January 1975.

FIGURE 1: CONCEPTUAL FRAMEWORK OF THE GUIDELINES FOR IMPLEMENTING THE SACRAMENTO COUNTY ECONOMIC/FISCAL IMPACT ASSESSMENT PROCESS

LEVELS OF THE PLANNING PROCESS	CONTINUUM OF STAGES OF INTEGRATION OF ECONOMIC EVALUATIONS IN PLANNING PROCESS			
	CASE A	CASE B*	CASE C*	CASE D
	Has General Plan, other plans, which lack internal consistency, comprehensiveness, economic/fiscal depth. (p. 5)	Progression Along Continuum		Has comprehensive General Plan, public services and sub-area plans, development policies fully integrating economic evaluations. (p. 6)
LEVEL 1 OVERALL STRUCTURING PROCESS: Formulation Of Plans/Policies (p. 8)	Has re-examined existing plans to identify weaknesses, deficiencies requiring plan revision, gaps in logic, etc.	Increasing Integration of Economic Evaluations in the Planning Process		Has conducted economic analysis as integral part of plan formulation; its plans express specific timing and methods for achieving economic objectives through the physical development process.
LEVEL 2 SITUATION REVIEW PROCESS: Review And Assessment Of Plan/Project Impacts (p. 8)	Its lack of a comprehensive planning framework necessitates economic/fiscal impact review on situation-by-situation basis.	Increasing Integration of Economic Evaluations in the Planning Process		Its impact assessments determine whether the project/situation conforms to all adopted plans, which are based on large-scale, comprehensive assessments. Emphasis of project assessment is on beneficial modification of the proposed situation.
LEVEL 3 PRACTICE IMPROVEMENT PROCESS: Feedback, Data Base Refinement, Process Monitoring (pgs. 8-9)	Has developed data base as step towards plan revision, remedying identified deficiencies. Has initiated data series as basis for plan evaluations.	Increasing Integration of Economic Evaluations in the Planning Process		Monitors existing data base, upgrading its components. Continuously tests accuracy, relevance of plans vis-a-vis new information and analyses.

* Cases B and C are jurisdictions at intermediate points along the Continnum between Case A and Case D (see pgs. 6-7).

Page references indicate relevant section of the Guidelines where Cases or Levels are described.

From Guidelines for Implementing the Economic Impact Assessment Process prepared for the California State Office of Planning and Research by Duncan & Jones in affiliation with McDonald & Smart, Inc., January, 1975.

CASE A

"Case A" has adopted a General Plan which was prepared without intensive and fully comprehensive study and analysis. Many of the component elements of the Plan were prepared in an incremental fashion without full internal consistency being achieved among them. Evaluations of economic and fiscal practicability, and of the economic implications of this Plan's provisions, were not very thoroughly or consistently pursued, in many instances because of the lack of readily available data, of expertise, or of the committed funds that these tasks require.

The relationship between the policies and provisions of the General Plan and the day-to-day conduct of administering the planning process, as in the preparation of impact reports, is not clearly defined. Their connection is rather tenuous, with the immediate pressures of project applications and decision making taking precedence over the establishment and implementation of more comprehensively derived policies. The planning function is defined and administered in a segmented fashion. Economically validated and feasible policies, plans, and programs for public services and facilities, or development staging plans, have not yet been formulated, or are only in a fragmented or incomplete phase of preparation and adoption. Therefore, there is not a strong, unified basis for relating day-to-day, project-by-project planning decisions and actions to the determinations made by other departmentalized functions in the jurisdiction regarding the provision and maintenance of public facilities and services. In particular, Case A has deficiencies in coordinating the delivery of services within the jurisdiction in a systematic manner in relation to the changing patterns of need and demand, and to the fiscal resources available. While major problems of operation or financing may not be manifest yet, the approach to administering the functions of local government is to respond to external stimuli in an ad hoc fashion, and to have either practical difficulty in or a lack of commitment to asserting local governmental initiatives as expressed in planning policies and documents.

CASE D

At the other end of the continuum is Case D, a jurisdiction which has prepared and adopted a fully comprehensive General Plan, a jurisdiction-wide public facilities and services plan, community plans, fiscal plans and programs, and a full range of urban development policies. From the inception of these efforts, thorough and intensive economic analyses and evaluations played an integral role. Economic/fiscal impact assessment was undertaken in a geographically and substantively comprehensive fashion (in conjunction with environmental and social impact assessments), and the findings were utilized as a basic input into the identification of feasible and probable alternatives for the jurisdiction's future, and were incorporated as an integral element of the adopted Plan during its formulation, testing, and adoption.

To a very large degree, the Case D jurisdiction's planning framework is a model of rationality and meticulous research. Of course, it also is colored by the politically determined norms and objectives of the jurisdiction, as articulated by its elected representatives. The process and the products of the impact assessment process have modified these objectives in some instances, and the information developed has served to improve the understanding of the electorate and its representatives concerning the relative effects, advantages, and disadvantages of the alternative futures that are within the jurisdiction's capability to influence.

CASE B

Two other midpoints (Cases B and C) can be described to illustrate progressive stages in the continuum. Case B is a jurisdiction which is currently in the process of revising or preparing new planning elements or mechanisms, but already it is beyond the point that could permit full integration of economic assessment or feasibility analysis from the start in a fully comprehensive fashion. For instance, a Case B jurisdiction might be in the process of preparing a Housing Assistance Plan or a Community Development Program with the intention of obtaining Housing and Community Development block grants. Due

to deadline pressures and limitations of staff or other resources, these planning efforts still represent something less than a comprehensive approach (either geographically, substantively, or both), and are not fully coordinated with the other pre-existing or emerging elements that comprise the overall planning framework. Nor is this planning framework complete, internally consistent, or thoroughly validated in terms of its economic feasibility and desirability. Case B represents a point on the continuum that is more fully developed in expertise and capability than Case A, but has a substantial distance to travel before it achieves that status of Case D.

CASE C

Case C represents a jurisdiction which has progressed further along the continuum than Case B. It has achieved some of the planning characteristics of Case D in terms of sub-area plans or functionally specialized public services plans, with a strong built-in emphasis on economic and fiscal feasibility. The plans are expressed in terms of phased program implementation, particularly in sections of the community which have been identified as likely and suitable for more rapid or extensive development. Case C, however, has not yet been able to develop jurisdiction-wide policies, plans, and programs of equal detail and comprehensiveness (particularly with respect to economic evaluations). Furthermore, complete public services plans, urban development policies, and phasing programs still remain to be formulated.

b. Levels in the Planning Process

The following three descriptions define distinct areas of activity in the planning process of local jurisdictions. Plan formulation is the level on which the plans and policies of local jurisdictions are prepared. The review process level includes all the daily decision making which is reviewed for conformity with the adopted plans and policies. The feedback process level comprises the activities of reviewing and monitoring the adopted policies and plans in light of newly collected data and administration of the planning process. For each of these three levels the Guidelines describe procedures for applying the economic/fiscal impact assessment techniques contained in the Methodologies.

The Overall Structure of the Planning Process. The documents and materials which collectively express the policy and program commitments, determinations, and intentions of the jurisdiction with respect to the future physical development, growth, and change of its sphere of influence, constitute the overall structure of a local jurisdiction's planning process. The adopted General Plan is usually the most significant expression of these policies and action plans, although in some instances, other policy positions, schedules, programs, community plans, public services plans, growth management devices, ordinances, and regulations can be important -- and in some cases can be of greater collective significance than the General Plan. The overall planning process is controlled and guided by these expressions, which are the source of and basis for all other planning activities, and which provide them with the necessary legal and administrative authority. At this level, basic planning intentions are identified and adopted as policy. Maintaining the viability and relevance of this policy requires continuous evaluation and adjustment to meet changing conditions, requiring input from the feedback level.

Review Process. At this level occur all the functions carried out in the planning process in which emerging plans, programs, policies, and projects are reviewed in light of adopted planning policies and decisions, and administrative and other regulations, and gauged for general conformity to the established tenets of practice. In the Guidelines, the broad range of proposals and applications which the planning function is required to review are referred to as "situations" or "projects". The review process is a subcomponent within and subordinate to the overall planning process, and, while significant as one plan implementation mechanism, usually can be classified as an administrative procedure. Preparation of impact assessment reports happens at this level.

Feedback Process, Improvement of Practice. The feedback level represents the application of data, evaluations, observations, and other information acquired during or from the administration of the planning process for the purpose of improving the overall process itself. Monitoring the actual character, pattern, or timing of development can reveal deficiencies or

inaccuracies in the assumptions or provisions of the overall structure of the planning process, or suggest changes that can make its objectives more feasible to achieve, more relevant to changing conditions, or more desirable in light of changing perceptions of need or intent. The organized acquisition of data and their analyses within the context of existing planning policies and programs can reveal inconsistencies and conflicts which should be the subject of plan reevaluation and revision, and changes in planning practices.

II. BENEFITS OF THE ECONOMIC/FISCAL IMPACT ASSESSMENT PROCESS

Sacramento County has expressed interest in being able to assess the economic and fiscal impacts of development proposals. The Methodologies and Guidelines have been devised to provide the necessary techniques of analysis and guidelines for implementing an economic/fiscal impact assessment process (E/FIAP) so that the County can undertake economic/fiscal impact reports (E/FIR's) within the context of its current, adopted plans and policies. The following sections describe the major benefits which the County can expect to derive from the application of the E/FIAP at the project level. To be sure, the significance of these benefits will increase measurably as the County moves toward Case D status. As it progresses from its Case A status where it will be reviewing each development proposal and newly formulated community plan in the absence of a planning framework that incorporates an evaluation of its economic and fiscal impact assessment, the E/FIR's will be able to offer more perspective, both policy and factual, on the findings of each project assessment, and provide a better basis for decision making.

A comparison of the types of fiscal information which the E/FIR's will yield as the County progresses along the continuum is a useful illustration. Initially E/FIR's will alert decision makers to some of the major problems of delivering or financing services and facilities by the County and its service districts. In time the E/FIR's will provide a basis for fiscal forecasting and budget planning. Eventually, when the County has achieved the Case D status, the E/FIR's will allow a determination of the relative efficiency of its alternative resource allocation plans. The foregoing discussion on the limitation of immediate implementation of the E/FIAP notwithstanding, the following benefits will result from the application of the process.[1]

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1. The following general points first appeared in the OPR Guidelines, and have been tailored to address the Sacramento County situation.

1. Improved Decision Making

The greatest value to be derived from preparing E/FIR's will be their contribution to informing and improving the County's public decision making process. The E/FIR's will provide decision makers with an improved quality and quantity of information upon which to base their decisions. E/FIR's are not intended, however, as a substitute for discretionary decision making, but will provide the decision makers with a compilation of relevant information revealing the implications of potential County actions.

E/FIR's, when carried out effectively, will present clearly defined alternative projects to any proposed development project being evaluated. Comparison of a project with its alternative(s) will make decision makers aware of the relative economic and fiscal impacts, thereby adding an important dimension to their deliberations. E/FIR's can also supplement information generated on the environmental impact of projects, accomplishing a more nearly comprehensive approach to assessing the impacts of proposals.

E/FIR's can help the County to avoid inadvertently making fiscally unsound decisions, since they will array the present fiscal conditions and the future conditions of the project and its alternative(s). The E/FIAP is not intended, however, to promote decision making singlemindedly based on a project's likelihood of strictly paying its own way. In fact, the variety of indicators of impact, e. g., dollars per capita, dollars per unit of assessed value, etc., will make it difficult to achieve a simple notion of net asset or liability.

For public projects, E/FIR's can provide information concerning the feasibility of the project, and the capability of the County in carrying out the activity. For public plans, especially general and community plans, E/FIR's can indicate their implementability, given existing and possible future economic conditions.

2. Full Public Disclosure

E/FIR's can bring about a greater public awareness of the apparent advantages and disadvantages of the impacts of proposed projects. Apart from the general value of increasing public knowledge for its own sake, greater public awareness often can lead in turn to more informed and responsive decision making. Public pressure brought about through this heightened awareness can have an effect on the policy makers' decisions; pressure may be exerted on the decision makers to adequately consider the facts before making a decision. In fact, a widespread and full recognition of the E/FIR findings may foster a consensus of opinion regarding the wisdom of approving the proposal in question.

3. Planning Intervention

E/FIR's can enable the County to intervene more effectively in the process of urban development, change, and growth. The usual benefits of this intervention will be largely fiscal in nature. If fully informed about the impacts of a development proposal, the County can improve its own fiscal condition by controlling and managing the location, type, and timing of development, if not at the development proposal level, then at the plan formulation level. In this manner the County can ensure that its public services and facilities will be adequate to handle the additional development without undue burden. With adequate prior data and analyses, it may be possible for the County to avoid costly service or facility expansions which otherwise might be required by applications for development approval that are inappropriate or undesirable by virtue of their location, character, or timing. Eventually, as the County begins to formulate its public services and facilities plans through incorporating a full consideration of the fiscal alternatives and implications of the plans, it will tend to determine the bounds within which private sector development activity will be acceptable and in fact can occur in a fiscally sound manner.

4. Improvement of the Planning Process to Increase Planning Effectiveness

The economic and fiscal impact analysis techniques of the Methodologies can aid the County in improving its planning process. The analytic techniques of the Methodologies can be employed to help the County move toward the Case D end of the continuum. In general, the greatest benefit to the County in this regard will be the use of the Methodologies in preparing economically and fiscally sound comprehensive general and community plans, and public service plans.

In addition, the County can establish a feedback process, through which the results of impact assessments on specific project proposals can be utilized in developing a data base, and in determining the consistency and relevance of existing plans. If the County decides that the E/FIR's will be prepared "in house" and by the Environmental Impact Section, which currently prepares EIR's for most of the projects over which the County's EIR guidelines have jurisdiction, as is recommended in Chapter IV, then implementing a feedback process can be a relatively small project, since the data for doing it already will be in the Section's possession. This improved data base also can be used, along with the methods outlined in the Methodologies, to help the County prepare more economically sound plans and policies. The feedback process is discussed at greater length in Chapter V.

III. INITIATION OF ECONOMIC/FISCAL IMPACT REPORTS

1. Regulatory Aspects

This section reviews the authority of the Sacramento County Board of Supervisors to adopt a requirement for the preparation of economic/fiscal impact reports (E/FIR's). The requirements, which are in Appendix A, are recommended for incorporation into the County's Procedures for Preparation and Processing of Environmental Impact Reports (the County's EIR Guidelines). They would require that every situation that now receives an environmental impact assessment receive an economic/fiscal impact assessment also. In actual practice the information in the economic/fiscal impact report, as proposed here, would be integrated within the text of the EIR. EIR's containing E/FIR's would be called Impact Assessment Reports (IAR) in recognition of the shifting balance between environmental and the other factors specified in the State enabling legislation.

The assessment of economic/fiscal impacts is authorized (if not mandated) by the California Environmental Quality Act (CEQA) of 1970.[1] Specific reference to consideration of economic factors appears in CEQA. The same reference also appears in the State Guidelines for preparing environmental impact reports: "While CEQA requires that major consideration be given to preventing environmental damage, it is recognized that public agencies have obligations to balance other public objectives, including economic and social factors, in determining whether and how a project should be approved."[2]

The authority to require the assessment of economic/fiscal impacts when environmental impacts are being assessed is clear enough. It is not as clear, though, that Sacramento County has the authority to require economic/

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1. Public Resources Code, Section 21001(g).
2. Guidelines for Implementation of the California Environmental Quality Act of 1970, as revised February 1975, Administrative Code Section 15012.

fiscal impact assessments of privately initiated projects when EIR's are not required. The County's decision to require E/FIR's only when EIR's are required is in line with the provisions of CEQA; its alternative, to require E/FIR's of situations exempt or otherwise not required to prepared E/FIR's, might not be. The tie of the E/FIR with the EIR need not limit the use of the analytic techniques of the Methodologies, though. The County can perform E/FIR's on situations which it initiates even if they do not require EIR's or are outside the scope of the Sacramento County EIR Guidelines. In practice there probably will be few if any privately initiated situations within the current scope of Sacramento County's EIR Guidelines that would have significant economic/fiscal impacts and no environmental impacts; however, there may well be County initiated situations with no significant environmental impact that may have meaningful economic and fiscal impacts. Capital improvements programs offer a likely example. An E/FIR-type study could be prepared on a capital improvements program at the time of the planning department's periodic review of it.[1] Code enforcement programs and employment programs sponsored by the Comprehensive Employment and Training Act (CETA) are two more examples of the situations that may deserve an E/FIR-type study and also are unlikely to warrant the preparation of an EIR.

2. Steps in the E/FIR Process

The E/FIR can be integrated directly into Sacramento County's existing EIR process as is evident in the seven steps of the application procedures for privately initiated projects, which are described below. The seven steps list the actions now required of an applicant of a privately initiated project by the Sacramento County EIR Guidelines in order to obtain approval for a project, and show where in the process the E/FIR would be prepared.

Proposed Application Procedures for EIR/s Containing E/FIR's for Privately Initiated Projects

Step 1: Submission

A. Applicant submits project application. It is entered in a log book by the Impact Assessment Coordinator (now titled the Environmental Coordinator).

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1. A function of a planning agency as mandated by Government Code, Section 65101(c).

Step 2: Determination

A. The Impact Assessment Coordinator conducts an Initial Study to determine whether an EIR is required or not. The determination is based solely on the grounds of whether or not the project will have significant environmental impact. The Coordinator determines that:
   1. The project is exempt and can be issued an Exemption Notice. The project can proceed after completion of Step 1; or
   2. The project is not exempt, but will not have a significant environmental impact and can be issued a Negative Declaration. The project can proceed after completion of Steps 1, 3, and 7, and can ignore Steps 4 through 6; or
   3. The project requires an EIR containing an E/FIR. The project can proceed after completion of Steps 1, 4-7, and can ignore Step 3, if otherwise approved.

B. The Coordinator issues an Environmental Certificate which indicates any further required action.

Step 3: Negative Declaration

A. The Coordinator prepares a Negative Declaration from information provided by the applicant.
B. A copy is then filed with the County Clerk.
C. Other copies are made available for distribution.
D. Notice of the Negative Declaration is recorded at a Public Hearing.
E. Project can proceed after Step 7 is completed, if otherwise approved.

Step 4: Draft Environmental Impact Report and E/FIR

A. Applicant completes the Impact Questionnaire (a modification of the Environmental Assessment Questionnaire now required, see Appendix B), and submits any other information required by the Coordinator.
B. The Coordinator prepares a Draft EIR containing an E/FIR.
C. The Coordinator files a Notice of Completion of the Draft EIR containing the E/FIR with the State Secretary of Resources.

D. The project can proceed after Steps 5, 6, and 7 are completed, if otherwise approved.

Step 5: Public Review

A. The Draft EIR containing the E/FIR is distributed for review.

B. A public hearing is scheduled and advertised ten days in advance.

C. The public hearing is held and written comments are attached to the Draft EIR.

D. The project can proceed after Steps 6 and 7 are completed, if otherwise approved.

Step 6: Final Environmental Impact Report Containing the E/FIR

A. Applicant supplies any additional information needed to answer questions raised during the review of the Draft EIR containing the E/FIR.

B. The Coordinator prepares the Final EIR containing the E/FIR.

C. The Coordinator distributes the Final EIR containing the E/FIR.

D. A public hearing is scheduled and advertised at least ten days in advance.

E. The public hearing is held and written comments are added.

F. The Final EIR containing the E/FIR is certified by the Coordinator.

G. The project can proceed after Step 7 is completed, if otherwise approved.

Step 7: Notice of Determination

A. The Coordinator files a Notice of Determination with the County Clerk, and the project can then proceed if it is otherwise approved.

3. Comparison with the Existing Application Procedures of the EIR Process

For projects initiated by the County, by special districts within the County, and by non-County governments, the application procedures for EIR's vary in some respects from those for privately initiated projects. None of the variations, though, invalidate the following observations on the proposed amendments of the Sacramento County EIR Guidelines to require E/FIR's (see Appendix A, Recommended Resolution Revision). First, no new steps will be added to the existing application procedure for EIR's. The amendments, instead, will cause the current emphasis on environmental considerations to shift to focus also on economic and fiscal factors. Second, whenever an EIR is required an E/FIR will be required, too. Conversely, when a project is categorically exempt from the preparation of an EIR or receives a Negative Declaration, then no E/FIR will be required, either. Third, the definition of classes of situations that are categorically exempt from the preparation of an EIR and the grounds for determining a Negative Declaration will remain unchanged by the proposed amendments so that the determination as to whether or not an EIR containing an E/FIR is required will continue to rest on the potential for significant impacts on the environment.

IV. SCOPE AND CONTENT OF ECONOMIC/FISCAL IMPACT REPORTS

This chapter looks at the types of projects for which preparation of E/FIR's is recommended, and outlines the approach the analyst can take in preparing them. It is recommended that the Environmental Impact Section (EIS) of the County's Community Development and Environmental Protection Agency prepare the E/FIR's for all the EIR's that it now prepares, and that its efforts on E/FIR's be integrated with that for the EIR's. Appendix D, "The Findings of the Trial Test of the Methodologies", provides further information on what the County can expect from preparing E/FIR's.

1. Situations Warranting Economic/Fiscal Impact Reports

The following lists comprise those projects for which Sacramento County currently requires environmental impact assessment. It is recommended that the economic and fiscal impacts of these projects be assessed concurrently by the County's EIS. The list is divided into two parts, privately initiated applications and County initiated applications, and contains no amendments to the existing set of projects currently subject to the EIR process. The set of projects to be subjected to economic/fiscal impact assessment is proposed to be the same set of project types which presently are required to undergo environmental impact assessment.

Privately-Initiated Projects:

a) Amendments to the zoning code or map
b) New conditional use permits
c) Amendments to or renewal of existing use permits
d) New variances to the zoning code
e) Amendments to or renewal of existing variances
f) Amendments and additions to the General Plan

g) New specific plans
h) Amendments to existing specific plans
i) New tentative subdivision maps
j) Revisions to or extension of time on previously approved tentative subdivision maps
k) Parcel maps
l) Grading permits
m) Water Agency permits
n) Abandonments of public rights-of-way or easements
o) Final development plans as defined in the Zoning Code when such plans require approval of the Planning Commission and/or the Board of Supervisors.

County-Initiated Projects

a) Any project included in (a)-(o) above when initiated by the County
b) Construction of new public facilities
c) Preparation of a new General Plan, Community Plan, Specific Plan, or Redevelopment Plan
d) Preparation of a Community Development Block Grant application.

2. Questions or Directives the Analyst Should Use

There are three types of questions or directives that have been developed to assist the analyst in preparing E/FIR's. The first two types indicate the information that the E/FIR is expected to address. One of these sets of questions asks for the quantitative indicators of fiscal impact and the other, for the qualitative aspects of fiscal and economic impact. The third type are directives which provide the analyst with rules-of-thumb for use in determining when to apply the full analytic techniques of the Methodologies.

All the types of questions or directives are designed to assist the analyst in addressing the broad topic areas proposed to be incorporated into Article 6 of the County's EIR Guidelines. These broad areas of discussion of economic and fiscal impact will require the analyst to give some consideration to focusing on the salient points in the E/FIR; using the questions can assist in

doing this. The broad areas cover the impacts on the costs and revenues on, and supply and demand for the nine most costly public services and facilities provided by the County, its service districts and a few utility companies, and on general government services. The nine public services are primary and secondary education, recreational facilities, police and fire protection, sewerage, water supply, drainage and flood control, road construction and maintenance, and libraries. The broad areas also cover impacts on revenues not related to the provision of services by the County and the employment and housing conditions and the land use of the County (see Appendix A for the recommended amendments to the County's EIR Guidelines).

a. Questions on the Quantitative Character of Impacts

To provide relevant information on fiscal impacts, the analyst is urged to summarize the data along the lines indicated in the Fiscal Impact Summary in Appendix C. This summary should appear early in the E/FIR, thereby satisfying the requirements of Section 6.2 of the County's EIR Guidelines, Summary of the Draft EIR, and providing readers of the E/FIR with an immediate and overall picture of the quantitative character of the impacts. The Fiscal Impact Summary is not intended as a substitute for further elaboration which inevitably will be necessary to document the assumptions underlying the E/FIR. Furthermore, the summary will need to be supplemented by a discussion of the relevant qualitative character of the impacts which does not lend itself to quantification.

b. Questions on the Qualitative Character of Impacts

The second type of question will help the analyst to focus on the kinds of issues that may reveal the qualitative character of the impacts. These questions appear in Section 2 of the Methodologies dealing with the analytic framework for assessing one or another of the broad areas of impacts mentioned above. The analyst is encouraged not to try to explicitly address each of these questions in the E/FIR, but rather to use them as a check list for determining the course to pursue throughout the preparation of the E/FIR according to the requirements as indicated in Appendix A.

c. Threshold Directives

The third type are directives which appear at the beginning of each chapter of the Methodologies dealing with analytic techniques for assessing public service impacts. These are threshold directives to help the analyst determine the necessity of a full-scale assessment of each particular service. The analyst should proceed with a full scale assessment of the service along the lines of the analytic techniques indicated in the Methodologies only if the project appears to exceed the indicated threshold. The Methodologies also indicate the safe assumptions the analyst can make if the threshold is not exceeded and no full scale assessment is warranted.

The threshold directives are designed to permit the analyst to utilize selectively the analytic techniques of the Methodologies. They were developed in recognition of the fact that in project-by-project review the analyst will be faced with numerous projects for which one of several things can be determined easily. One of these is that the data necessary to make a full scale assessment may not be available without engineering cost estimates which will not be provided. Another is that the impacts always may be fiscally favorable in certain situations and the procedure for demonstrating the facts may be sufficiently detailed and involved to make it impractical to apply when the impacts are known to be positive. Another is that the project may be fully anticipated by that service's master plan.

3. Appropriate Content and Level of Detail of E/FIRs

The appropriate content and level of detail of E/FIRs is that of providing the relevant information for decision making and nothing more. How much information that is is difficult to say, and will require some practice by the EIS to determine. What the analyst should resist is the inclination to produce great quantities of figures on fiscal impact. Initially the analyst should focus on revealing the figures asked for in the Fiscal Impact Summary making mental notes of ways to improve that form by eliminating

the unnecessary data or substituting more relevant data. Of course, when the analyst discovers that the project does not exceed the indicated thresholds, then corresponding sections of the Fiscal Impact Summary should be left blank and the appropriate assumption should be stated in the text of the E/FIR. The analyst undoubtedly will find that the significance of certain data is not apparent, particularly while the County is at the "Case A" status. This situation is to be expected as long as the County's adopted planning framework has been formulated without considering assessments of its economic and fiscal impacts.

4. Implications for the Timing and Costs of Project Application and Review

Although it is difficult to determine conclusively the implications for the timing and costs of E/FIR's on privately initiated projects, the following statements on the immediate application of the E/FIAP can be made. Preparation of the E/FIR section of an Impact Assessment Report will require substantial effort unless the situation does not exceed the indicated thresholds; however, their preparation need not consume any more elapsed time from the start of the application of impact assessment review to the finish, assuming staff are available. Therefore, developers can anticipate that the addition of this new procedure will not delay local decision making beyond the time it now takes, if staff are available. Furthermore, a number of projects will not take significant effort, once the staff have become accustomed to the requirements of the E/FIAP, if the anticipated impacts do not exceed the indicated thresholds for full-scale impact assessment. However, projects which vary greatly from adopted plans, require substantial facility services expansion, or are proposed for development in non-urbanized areas can be expected to require considerable staff effort, especially initially in preparing the E/FIR's, and may delay the application process unless there is sufficient staff available to prepare them.

To estimate the staff effort required initially to prepare E/FIR's, the following assumption can be derived from the consultant's experience in the preparation of the trial run of the Methodologies (see Appendix D). An E/FIR on a privately initiated project which does exceed the thresholds

discussed above may take about ten person-days to prepare. All Sacramento County plans, policy documents, and public facility proposals requiring assessment inevitably will exceed the thresholds for full-scale impact assessment and are likely to require substantial effort in the preparation of the E/FIR's. Preparing E/FIR's for these County planning documents can be expected to delay the time of their approval, especially if the E/FIR's are undertaken after the plans are completely formulated. It is important that the County commit itself to this effort of assessing its emerging planning documents during their formulation, nonetheless, since the results will move the County along the continuum toward a more fully integrated planning process where the E/FIAP can yield more significant results (see Chapter II for further discussion on this point).

Some experience with the preparation of E/FIR's will be necessary before the implications for their costs are evident. Initially, the County can expect that the E/FIR's for development proposals will have to be expensive if the E/FIR's are going to provide the economic and fiscal perspective that is now lacking in the County's planning framework. A more reasonable expenditure of effort for the time being would be for the E/FIR's to be limited to revealing the problems of providing public services (see the orientation of the conclusions of the trial run, Appendix D). The County thus will adopt the habit of a relatively small effort on E/FIR's for development proposals. This will prove to be adequate effort when the County achieves "Case D" status, in other words, when each development proposal is assessed for its conformity to the adopted planning framework.

V. DEVELOPMENT OF THE E/FIAP DATA BANK

Central to the development of a sound E/FIAP is the systematic collection of data for use in applying the analytic techniques of the Methodologies. Once collected, the data must be assembled in an accessible format. The data will serve other useful functions, too. This chapter describes the purposes served by a data bank, as the systematically assembled and stored data are called, and the types of information it will contain, outlines the appropriate techniques for collecting the data, and suggests formats for maintaining the data.

It is assumed that all necessary data will be assembled by one unit of County government which will also be designated to prepare the E/FIR's. The Guidelines recommend that the County EIS be the agency that maintains, if not initially prepares, the data bank. If, however, some other unit of County government initially prepares and ultimately maintains the data bank, such as the Environmental Management Task Force, the discussion of this chapter will still apply.

1. Types of Data for the E/FIAP

There are at least five major sources of data to be collected for use in the E/FIAP. The first is the applicant of a development proposal. The Guidelines suggest that the applicant should fill out the Impact Assessment Questionnaire (see Appendix B) which asks for information that indicates the proposal's probable economic and fiscal impacts. This questionnaire is proposed in lieu of the currently used Environmental Questionnaire, whose questions deal only with environmental impacts. The information collected on the Impact Assessment Questionnaire serves the immediate purpose of providing the basis for the Impact Assessment Report once the Initial Study demonstrates that the project is neither categorically exempt nor deserving of Negative Declaration status (see Chapter III, Section 2, for

more discussion on this point). The Impact Assessment Questionnaire also serves the purpose of collecting a set of the same information on each development proposal, permitting that contribution to the E/FIAP to be comparative.

The second type of information comes from the County agencies and service districts which provide the major services and facilities. This information permits a determination of the ability of the agency to supply the service. Appendix E indicates the information from this source by service type which must be collected for use in the E/FIAP. Occasionally interviews will be necessary to obtain these data and are discussed in Section 3, below.

The third type of information comes from other County government sources such as the Assessor's books and the County budget, and provides information about the general fiscal conditions of the County. Information from the Assessor's parcel maps and tax rolls and the published County budget usually will be "banked" in the format in which they are published, and present no "banking" problems.

The fourth type of information comes from non-local governmental sources such as the Sacramento Regional Area Planning Commission, the California State Equalization Board, and the U. S. Bureau of the Census. Data from these sources are either publicly published or available with a telephone call, and present only minor "banking" problems.

The fifth type of information comes from non-governmental sources and generally reveals the economic conditions of the County. Local employers, who can give some indication of the future of their industries in the region, and local realtors, who can give a sense of current sales or rental prices, are two obvious examples of sources of this type of information, which is clearly the hardest to develop and maintain in a systematic fashion.

2. The Function of a Data Bank in the E/FIAP

The data bank will serve primarily as the repository of collected data from all the above sources for use in the E/FIAP. These data are required

to perform the E/FIR assessments. They also can serve other functions. They can be available for use in preparing E/FIR-type assessments on County programs which do not require the preparation of EIR's containing E/FIR's, (see Chapter III, Section I, above), and conceivably by developers who want to develop the information for their own use. The data bank also can provide information to the Sacramento County Local Agency Formation Commission (LAFCO) for use in its determination of the appropriate spheres of influence of the County and its service districts. In addition, the data bank has a role to play in the formulation of the planning framework (see Chapter VI, Section 2a, below, for further discussion on this point).

3. Appropriate Collection Techniques

Much of the information needed for the data bank will be available to the analyst in published reports. When the analyst cannot wait for the arrival of the published reports or when the information is generally available but not published or the County does not subscribe to the necessary publication, the analyst usually can succeed with a telephone call. However, in the case of County agencies and service districts, it often will be necessary for the analyst to conduct an interview (by phone, usually) to gather information for the E/FIR, after the initial interview with the district to set up the data file.

The initial interview should provide the analyst with an understanding of the trends in capital, operating, and maintenance costs, and in assessed valuation and assessed valuation per capita to use in projecting costs in relation to revenues. In addition, the analyst can find out the taxation limit imposed by SB 90 and the relation of the existing tax rate to the limit. In addition to fiscal information the analyst should use questions such as the following to reveal any problems associated with providing service which would increase the real costs of service provision in any particular area of the jurisdiction or for any particular land use. The succeeding interviews will serve to refine the answers to the following questions so as to provide site- and time-specific information for an E/FIR.

- "What is the present extent of the area served within the agency's (or district's) boundary?"

- "Can you define a geographic area beyond which the provision of service would be more difficult, and therefore, more costly than normal?"

- "Is it likely to be easier and therefore less expensive to extend services in various areas?"

- "Can you point out and define geographic areas that can be readily served with minimal difficulty, minimal infrastructure or facility expansion, or minimal additional capital cost? Areas where additional development would utilize currently wasted or excess capacities? Areas where development would create difficulties, costs, and premature expansion?"

- "What constraints exist to the extension of services within the agency's jurisdiction which would increase the unit costs in those areas above the average for the agency's areas as a whole, and where are these constrained areas located?"

- "Which specific areas (geographic or by type of development) are presently more costly to serve than others, applying unit cost measures?"

- "Is it usually more expensive (or less expensive) to serve certain types of land use than others?"

For the follow-up interviews the following guidelines on interview techniques have been developed to help the analyst focus on the purpose of the interview. They assume that each district was interviewed initially to establish a data file.

Step A. Follow-Up Interview Preparation Procedure

1. Determine from special district maps the service districts in which the development site is located.

2. Determine the development proposal's demand for services by year until the project is fully occupied or rented, and any other information, either on or off the site, which would show an unusual existing or projected demand on services, and estimate the anticipated revenue sources for the same years.

3. Review each relevant district's file for information on problems with servicing and financing new development in general and on the site in particular.

4. On a map of the district's jurisdiction indicate the site of the development proposal in question and the sites of any other approved development proposals which may constrain the district's ability to provide service. Take the map and any site plans to the interview (or send the map prior to the telephone interview).

5. Take (or send) a current land use and urban development map for the district's jurisdiction.

6. Arrange for a personal interview only when it is expected to yield information unobtainable over the telephone.

Step B. The Interview Procedure

The purpose of the interview is to determine the district's ability to respond to the development proposal's demand for services. The interviewer should keep in mind that the provision of service will usually be possible and listen for any information that indicates problems with providing or financing the needed services and facilities.

1. Initiate the interview by introducing the maps indicating the location of the proposed project (and site plans, if available), and other of the district's facilities. Check the reasonableness of the estimates of the anticipated demand for the project and revenue from it.

2. Ask the agency or service district representative how the service extension will be supplied and financed, being aware of possible State and Federal assistance that will reduce required local revenues. Probe for information revealing the real costs of supplying the service.

Appropriate Format for Data Banking

There are two types of formats suggested for banking the data collected, graphic and file, both of which are discussed below.

A. Graphic Format

Information which can be conveyed most easily on a map or graph should be graphically rendered. Jurisdiction boundaries, school attendance boundaries, busing routes, facility locations, land use, and urban development patterns are examples of information that should be maintained on maps. When interviews yield information on geographic areas which are easier or more difficult to service, the information should be recorded on maps, also. Ideally, all maps of service districts and agencies would be at a compatible scale, but, as a practical matter, achieving such graphic coordination, at least in the short term, is difficult to do. The maps should be able to be taken to personal interviews, or sent on a loan basis when the interview can be conducted over the telephone. Trends such as in population growth, enrollment, assessed valuation, and tax rates should be recorded on graphs. Information on maps or graphs corresponding to filed data should be stored in the appropriate file.

B. File Format

All information in numerical series should be maintained in tables with the horizontal axis representing the time dimension. Each service agency or district should have its own file containing the tables with appropriate

information for the district. There also should be a list in each of these files of all the E/FIR's developed for sites within the district's or agency's jurisdiction and within the EIR there should be a library copy of each E/FIR prepared. Maps of relevant district boundary lines, attendance boundaries, etc., should be kept in these files. In addition, a file should also be maintained for each revenue source for which an analytic technique appears in the Methodologies and should contain relevant information in a tabular format.

VI. STEPS TOWARD INTEGRATING THE E/FIAP WITH THE COUNTY'S GENERAL PLANNING FUNCTIONS

Throughout the Guidelines there are references to the need for Sacramento County to improve its general planning functions in order to develop meaningful economic and fiscal impact assessments both of development proposals and its own emerging plans. Frequent references have been made in the Guidelines to the necessity of a planning framework (general and community plans, and public service plans) that has been formulated in light of the assessment of the potential economic and fiscal impacts on the County's alternative futures. Although such a planning framework is fundamental to developing an E/FIAP which will yield significant findings, there are a number of other steps the County should take, too, in order to achieve the integration of the E/FIAP with the County's general planning functions.

This chapter outlines a course of steps for the County to take in order to achieve a closer integration of its general planning functions. The steps are divided into the three levels of planning functions which were discussed in Chapter I, Section 4.b. and illustrated in Figure 1: the Plan Formulation level, the Review Process level, and the Feedback Process level. The steps are not cumulative (except where noted), but indicate an evolution in the complexity and sophistication of a planning process. They represent a logical progression for the County to follow in achieving closer integration of its planning and impact assessment functions. At present the County functions at Step 1 in each level.

Implicit in the outline of steps are new functions for the County to perform. The following section indicates the steps and the necessary relationships within the Community Development and Environmental Protection Agency (CDEPA) for performing the new functions, and designates the agencies to perform the new functions whose present functions are most similar to the proposed ones. In cases where the proposed functions do not resemble existing functions,

a question mark accompanies the designated agency thereby indicating the need for further clarification. The designation of agencies does not necessarily represent a recommendation of the Guidelines; determinations about the organization and functioning of CDEPA are a matter for the County to decide and clearly are outside the scope of the Guidelines.

LEVEL 1 OF PLANNING ACTIVITY: OVERALL STRUCTURING PROCESS

At the level of activity of formulating its general and other plans, Sacramento County should endeavor to incorporate economic/fiscal impact assessments during their preparation.

Formulation of Plans and Policies

Step 1. Plan formulation with modest or no consideration of consequences to County's fiscal and economic condition.
Agencies: Planning Department ⟶ Policy Planning Commission ⟶ Board of Supervisors.

Step 2. Preparation of an economic/fiscal impact report of existing plans, assessing implications on revenues, public facility and service capacities and costs, and employment, housing, and land values; and revision of plans in light of impact assessment.
Agencies: Environmental Impact Section ⟶ Policy Planning Commission ⟶ Planning Department ⟶ Board of Supervisors (⟷ LAFCo, affected department and district heads).

Step 3. Preparation of plans (or revision of plans) a) defining economic and fiscal goals and objectives, b) taking into account economic and fiscal implications of alternative growth options, and c) utilizing economic and fiscal data base (see Level 3 following) for determining consequences of alternatives.
Agencies: Planning Department ⟶ Policy Planning Commission ⟶ Board of Supervisors
↑ ↓
Environmental Impact Section
↑
Department and District Heads

LEVEL 2 OF PLANNING ACTIVITY: SITUATION REVIEW PROCESS

When preparing E/FIR's, a major activity at the level of situation review, the County should strive to test each situation or project for conformity with the adopted plans and policies for which E/FIR's already have been conducted.

Review and Assessment in Impact Reports of Economic and Fiscal Impacts of Plans and Projects

Step 1. Consideration of economic/fiscal impacts of each project proposal separately.
Agencies: Environmental Impact Section ⟶ Project Planning Commission (or other appropriate governmental body for holding public hearings on project in question).

Step 2. Evaluation of the consistency of each project proposal with adopted planning framework (implementing this step depends on Step 2 of Level 1 or, better yet, Step 3, already having been implemented).
Agencies: Environmental Impact Section ⟶ Project Planning Commission (or other appropriate governmental body for holding public hearings on project in question).

LEVEL 3: PRACTICE IMPROVEMENT PROCESS

At the practice improvement level of activity the County should develop a systematically collected and assembled data bank, incorporating into it information as it is prepared for the E/FIR's and annually should prepare a summary of fiscal impacts of approved projects for use in the County budget making.

1. Fiscal/Economic Data Base Development and Refinement, and Process Monitoring

Step 1a. Identification of out-of-date figures in plans and gathering of

up-to-date information to use in revising plans both officially and informally.
Agency: Planning Department

Step 1b. Gathering of data on jurisdiction's revenues, service districts' and jurisdiction's costs of providing services, and indicators of general County economic condition for use in preparing economic/fiscal impact assessments.
Agencies: Environmental Impact Section (or LAFCo?) ⟶
Department and District Heads

Step 2. Establishment of a system of regular collection and update of economic/fiscal data, the entry of the data into a data bank; and the incorporation of situation review data into the data bank.
Agency: Environmental Impact Section ⟶ Department and District Heads.

Step 3. In addition to Step 2, monitoring of the accuracy, effectiveness, relevance, and quality of the general plan in light of data base.
Agency: Planning Department? Environmental Impact Section?

Feedback

Step 1. Forwarding of adopted plans to department and district heads for their information.
Agencies: Environmental Impact Section ⟶ Department and District Heads.

Step 2. Forwarding of economic impact assessment reports to department and district heads, when appropriate, to alert them to imminent service demand and facility needs, and to request comments.
Agencies: Environmental Impact Section ⟶ Department and District Heads
Project Planning Commission (or other appropriate hearing body).

Step 3. In addition to Step 2, preparation and delivery of an annual development report to the County Executive for use in capital improvements

programming and budgeting, and to department and district heads for use in improvements programming and budgeting at the department or district level.

Agencies: County Executive ⟶ Board of Supervisors ⟶
Environmental Impact Section ⟶ Department and District Heads.

2. Implications for New Functions Within the CDEPA

The above mentioned steps imply four major new functions for the CDEPA to consider implementing in order to move the County toward the Case D end of the continuum. The new functions, which would affect each of the three levels of planning activity mentioned previously, are discussed further below.

a. Assessments of Economic/Fiscal Impacts During Plan Formulation

Assessing the economic and fiscal impacts during the formulation of new plans, which is shown in Step 3 of Level 1 above, is the most important new function the CDEPA can assume in making the E/FIAP an integral part of its general planning activities. During plan formulation, alternative scenarios, or outlines of likely courses of future development, would be defined which then would be assessed for their economic and fiscal impact. The scenarios should indicate economic goals of the County with regard to employment by type and number of jobs per year; housing goals by size, tenure type, location, and price of unit per year; and land use goals by land use type and location by year. The scenarios also should define the locations of expansion of public services and facilities. The County then would utilize the assessments to further define the approach of its planning framework to the future of the County. To be successful the economic and fiscal assessment must be prepared during, and not after the formulation of the plan, while there is real motivation for shaping the approach and contents of the planning framework.

b. Assessment of Development Proposals Within a Planning Framework

Step 2 of Level 2, which is the preparation of E/FIR's on development proposals within an adopted planning framework, can occur only after

the general plan has been formulated in light of its own assessments. Development proposals (and emerging planning documents, too), when undergoing the preparation of EIR's containing E/FIR's, would then be compared with the planning framework (i.e., general, community, and public service plans) to test their support for adopted County policy. The development proposal's land use character and timing would be compared with the policies contained in the adopted plan; its contribution to the housing stock would be tested against the stated County goals for housing; and its addition of jobs, against the goals for employment. The proposal's demand for public services and facilities would be compared with the County's plans for providing public services and facilities.

The significance of this new function is twofold. First, it would allow the County to view development proposals from the perspective of adopted policies which have been tested themselves, permitting the most informed viewpoint that the E/FIAP can provide for decision makers and the public. Second, it would minimize the effort of preparing the E/FIR for development proposals (see Chapter IV, Section 4 for further discussion on this point).

c. Data Banking

The reader is directed to turn to Chapter V for a lengthy discussion of the third major function, indicated in Step 3, Fiscal/Economic Data Base Development, of Level 3 above.

d. Annual Development Report

The fourth major function is the preparation of the Annual Development Report, indicated in Step 3, Feedback, of Level 3 above. This report, which need not be prepared by the Environmental Impact Section, would be prepared annually by the County prior to the preparation of the annual budget and capital improvements program and would indicate the tempo and trends of development, and the demands on the unused capacities of the County's departments and districts. The report, essentially an aggregate profile of Fiscal Impact Summaries prepared for E/FIR's, would summarize the collective economic/fiscal impact of development proposals approved during the previous year by outlining the anticipated demand

on public services and facilities, and the revenues which the proposals represented, and by indicating the anticipated user charges and other revenues that could be expected from the development.

3. Implications for New Intergovernmental Links

The foregoing functions imply new strengths in relationships among various agencies of Sacramento County government. It is difficult to talk about these relationships conclusively, since it is not clear which agencies might perform each of the new functions, but some general observations can be made. The following sections identify the major areas of new relationships. The basic units of government involved in the new relationships perform the following functions: impact assessment (called the impact assessment unit); land use related policy making (called the planning unit), and the administration of service delivery, either County-wide or district-wide (called the service administration unit); and preparation of the County budget (called the budget administration unit). Collectively the new intergovernmental links would represent a closer coordination among the three types of units of the County's local government: the planning unit, and administrative unit, both at the County and the district level, and the impact assessment unit.

a. Closer Planning and Impact Assessment Units

As the County begins to formulate its planning framework in light of economic and fiscal impact assessments, the planning and impact assessment units of County government will function more closely. Preparation by the planning unit of alternative scenarios for future County development will require contributions from the impact assessment unit's data bank (see Chpater V, Section I above) and observations from its recent experience in the timing, character, and location of development. Once the alternative scenarios are hypothesized, the impact assessment unit can perform complete E/FIR type assessments on them, providing the planning unit (both department and commission) with a realistic evaluation of the

economic and fiscal reasonability of future growth plans on which the planning unit can then propose a general (or community or specific) plan for the decision makers' review.

b. Closer Administrative and Impact Assessment Units

As the impact assessment unit begins to gauge the impact of development on County agencies and special districts in the E/FIR's and transmit back to the service administration units the E/FIR findings regarding anticipated problems of servicing and financing the new development, the service administration and impact assessment units of County government will work more closely together. When the impact assessment unit starts delivering an Annual Development Report (see Section 2d above) to the County budget administration unit for use in preparing the capital improvements program and annual budget, these two units will function more closely, too. The significance of this set of relationships is that the County will be able to develop a finer tuned response to development proposals, which will 1) result in a more accurate anticipated of the demand on County services and facilities, 2) allow agencies and districts to avoid over- or under-building faciliites, and 3) permit a reconsideration of the pricing mechanism policies that currently result in charging customers average costs that do not necessarily reflect the real costs of facility construction and service provision.

c. Closer Planning and Administration Units

As County agencies and special districts begin developing information on the differentials in the real cost of providing services and facilities throughout their jurisdictions, which information is a potential by-product of the contact between the impact assessment unit and the districts and agencies, during the preparation of the E/FIR's the planning unit will be able to translate the information into data for use in revising the planning framework. Depending on the decision makers' view of developing a planning framework which optimizes for the location and delivery of public facilities

and services, the result of this new relationship could be the development by the County of a more efficient allocation of public resources.

d. Closer Local Agency Formation Commission and Impact Assessment Unit

As the impact assessment unit develops the data bank, the information will become more useful to the Sacramento County Local Agency Formation Commission (LAFCO) in its own decision making. Conceivably LAFCO may prefer to maintain the data bank and allow the impact assessment unit to utilize it. Regardless of which agency develops the data bank, it is clear that only one of them should, while taking into account the kinds of information that the other will need, and then should allow the other to utilize the data bank as needed.

4. Implications for the Timing and Cost of an E/FIR for County Plans

Assessing the economic and fiscal impacts of general, community, and specific plans will represent a major undertaking by the County, requiring significant staff numbers and skills. The results are so important both to the successful application of the E/FIAP and to the development of an economically and fiscally sound planning framework that the County should undertake the work even though the burden will be significant. The County can view the efforts expended at the time of plan formulation as a reallocation of much of the work which would otherwise be expended in the preparation of E/FIR's on development proposal projects, and can make some adjustment in the fee schedule for preparation of Impact Assessment Reports.

APPENDIX A

RECOMMENDED RESOLUTION REVISION

The following draft Resolution, after review by the County Counsel and adoption by the Sacramento Board of Supervisors, would amend sections of the County's Procedures for Preparation and Processing of Environmental Impact Reports (Sacramento County EIR Guidelines). Two types of amendments are recommended in the draft Resolution. The first type, covered by Section I of the draft Resolution, applies only to Article 6, Draft Environmental Reports, and would add the fiscal and economic topics to those that already must be considered. The following page indicates the subsections of Section 6 which would be affected by the draft Resolution. Section II of the draft Resolution covers the second type of amendments, which applies throughout the Sacramento County EIR Guidelines. These amendments would alter the titles of documents, certificates, draft and final versions of EIR's, the certificates and questionnaires associated with them, and the title of the Environmental Coordinator, in order to reflect the changing balance between environmental and other factors to be considered in the Impact Assessment Process. Within the draft Resolution all additional requirements are printed in capital letters.

SECTIONS OF ARTICLE 6 OF THE SACRAMENTO COUNTY EIR GUIDELINES
RECOMMENDED FOR AMENDMENT

Sec. 6-1. Contents of Draft Environmental Impact Reports

Sec. 6-2. Summary*

Sec. 6-3. Description of Project
- (a). Project Characteristics*
- (b). Project Location
- (c). Project Objectives
- (d). Project Applicant

Sec. 6-4. Setting and Environmental Impact
- (a). Natural Physical Environment
  - (1) Atmospheric Conditions
  - (2) Geologic and Soil Conditions
  - (3) Hydrologic Conditions
  - (4) Plant and Animal Communities
- (b). Socio-Physical Environment
  - (1) Historical Features and Uses
  - (2) Land Use*
  - (3) Aesthetic and Nuisance Conditions
  - (4) Demographic Characteristics*
  - (5) Housing Characteristics*
  - (6) Economic Conditions*
- (c). Public Services and Revenues**
  - (1) Infrastructure**
  - (2) Schools**
  - (3) Transportation**
  - (4) Fire**
  - (5) Police**
  - (6) Recreation and Open Space**
  - (7) Libraries**
  - (8) General Government Services**
  - (9) Other Revenues**
    - a. Property Taxes**
    - b. Sales Taxes**
    - c. State Revenue Sharing and Grants**
    - d. Federal Revenue Sharing and Grants**
    - e. Miscellaneous Revenue Sources**

Sec. 6-5. Summary of Impacts and Their Disposition
- (a). Adverse Environmental Effects Which Cannot be Avoided...*
- (b). Irreversible Environmental Changes...*
- (c). Relationship Between Local Short-Term Uses...And Long-Term Productivity*
- (d). Growth-Inducing Impact of the Proposed Action*
- (e). Mitigation Measures Proposed to Minimize the Impact*
- (f). Alternatives to the Proposed Action*

Sec. 6-6. Organizations

Sec. 6-7. Public*

Notes: * Proposed resolution would amend these sections.
** Proposed resolution would add these sections.

DRAFT

RESOLUTION NO. _____

RESOLUTION OF THE BOARD OF SUPERVISORS OF THE COUNTY OF SACRAMENTO, STATE OF CALIFORNIA, ESTABLISHING PROCEDURES TO CARRY OUT THE PURPOSE OF CHAPTER 20.01 OF TITLE 20 OF THE SACRAMENTO COUNTY CODE RELATING TO ENVIRONMENTAL IMPACT REPORTS.

WHEREAS, the County of Sacramento, State of California, intends to strengthen its Procedures for Preparation and Processing of Environmental Impact Reports, adopted pursuant to the California Environmental Quality Act of 1970, as amended, in order to specify the economic and fiscal impacts requiring assessment; and

WHEREAS, the assessment of economic and fiscal impacts of projects will identify and evaluate the demands for public facilities and services, forecast major revenues, identify and evaluate significant changes in such economic factors as employment, housing supply and demand, and land use patterns, and contribute to identification of an efficient allocation of public resources;

NOW, THEREFORE, BE IT RESOLVED that the Board of Supervisors of the County of Sacramento, State of California, does hereby approve and adopt the following amendments to the Procedures for Preparation and Processing of Environmental Impact Reports.

SECTION I. THE CONTENT OF IMPACT ASSESSMENT REPORTS

Article 6 of the County of Sacramento Procedures for Preparation and Processing of Environmental Impact Reports is hereby amended by revising certain sections as follows:

A. Section 6-1 to read:

"Contents of Draft IMPACT ASSESSMENT Reports. Draft IMPACT ASSESSMENT Reports shall contain the information described in this section in sufficient detail to provide for adequate evaluation and review of the environmental, ECONOMIC, AND FISCAL impacts of projects AND THEIR ALTERNATIVE(S) OF TIMING, LOCATION, AND COST. Draft IMPACT ASSESSMENT Reports shall conform substantially to the format set forth in this section except for projects subject to state or federal regulations which supersede this section in which case the more comprehensive regulations shall prevail."

B. Section 6-2, the phrase "overall environmental effect" to read:

"overall environmental AND FISCAL effect."

C. Section 6-3(a) to read:

"(a) Project Characteristics. Describe the design, ANTICIPATED PHASING OF CONSTRUCTION AND RATE OF SALES, RENTAL AND OCCUPANCY, economic, FISCAL, environmental, and technical characteristics of the project."

D. Section 6-4 to read:

"6-4. Setting and COMPREHENSIVE Impact. Under each of the following categories, describe first the setting of the project area from both local and regional perspectives. Description of setting should make reference to related projects, both private and public, both existent and planned, for purposes of examining the possible cumulative impact of such projects. SECOND, describe the impacts of the project upon the extant setting. THIRD, DESCRIBE THE RELATIONSHIP IN EACH CATEGORY BELOW OF THE IMPACT OF THE PROJECT AND ITS ALTERNATIVE(S) OF CHARACTER, TIMING, AND LOCATION TO ALL RELEVANT ADOPTED PLANS AND POLICIES, INCLUDING THE GENERAL PLAN, SUB-AREA PLANS, AND PUBLIC SERVICES PLANS AND POLICIES."

E. Section 6-4(b)(2) to read:

"Land use. Discuss the extent, DENSITY, and type of existing land use IN THE PROJECT AREA, INCLUDING ITS RELATIONSHIP TO CURRENT ASSESSED VALUE, AND TO CONSUMPTION OF ENERGY RESOURCES AND CONVERSION OF PRODUCTIVE AGRICULTURAL LANDS.

(A) EXTANT CONDITIONS.

(B) IMPACTS."

F. Section 6-4(b)(4) to read:

"(4) Demographic Characteristics. Discuss the population composition of the project area including such factors as family NUMBER AND size, ethnic and age distribution.

(A) Extant Conditions.

(B) Impacts."

G. Section 6-4(b)(5) to read:

"(5) Housing Characteristics. Discuss the housing composition of the project area including such factors as housing type, size, DENSITY, condition, AREA'S VACANCY RATES, TYPE OF OCCUPANCY (RENTER OR OWNER OCCUPIED), values, AND AREA'S EXISTING AND PLANNED LOW- OR MODERATE-INCOME UNITS.

(A) Extant Conditions.

(B) Impacts."

H. Section 6-4(b)(6) to read:

"(6) Economic Conditions. Discuss the economic characteristics of the project area such as employment BOTH LONG-TERM AND SHORT-TERM, HOUSEHOLD income, AND BUSINESS ACTIVITY GENERATED IN THE PROJECT.

(A) Extant Conditions AND TRENDS.

(B) Impacts."

I. Add new section 6-4(c) to read:

"(c) PUBLIC SERVICES FACILITIES AND ASSOCIATED REVENUES. DISCUSS THE EXTANT CONDITIONS AND IMPACTS OF THE SHORT- AND LONG-TERM PUBLIC SERVICE DEMANDS OF THE PROJECT AREA; THE CAPITAL, OPERATING, AND MAINTENANCE COSTS AND ASSOCIATED REVENUES; ANY EXPANSION OF EX-

ISTING SERVICES AND FACILITIES REQUIRED TO ACCOMMODATE DEMAND GENERATED BY THE PROJECT, AND ANY DIFFICULTIES INVOLVED IN SUCH EXPANSION.

THE DEGREE OF SPECIFICITY REQUIRED FOR THE ESTIMATE OF COSTS AND REVENUES FOR THE PUBLIC SERVICES LISTED BELOW SHOULD CORRESPOND TO THE MAGNITUDE OF THE PROJECT'S OVERALL IMPACT, THE MAGNITUDE OF THE PARTICULAR FISCAL IMPACT ASSOCIATED WITH THE APPLICABLE SERVICES AND FACILITIES, AND THE COMPATIBILITY OF THE PROJECT WITH ADOPTED PLANS AND POLICIES. PUBLIC SERVICE PROJECTS DO NOT REQUIRE ASSESSMENT WHEN A PUBLIC SERVICE MASTER PLAN INCLUDING THE PUBLIC SERVICE PROJECT HAS BEEN EVALUATED AND THE PROPOSED SERVICE PROJECT IS CONSISTENT WITH THE MASTER PLAN IN ALL SIGNIFICANT RESPECTS SUCH AS ITS LOCATION, TIMING AND STAGING OF DEVELOPMENT.

(1) INFRASTRUCTURE. INCLUDE IN THE DISCUSSION THE PROJECT SERVICE AND FACILITY DEMANDS FOR THE PROVISION OF WATER SUPPLY; WASTEWATER COLLECTION, TREATMENT, AND DISPOSAL; AND STORM DRAINAGE AND FLOOD CONTROL MEASURES.

(2) SCHOOLS.

(3) TRANSPORTATION. DISCUSS THE PROJECT SERVICE AND FACILITY DEMANDS FOR ROADS AND MASS TRANSIT SERVICE.

(4) FIRE PROTECTION.

(5) POLICE PROTECTION.

(6) RECREATION AND OPEN SPACE. DISCUSS THE PROJECT SERVICE AND FACILITY DEMAND FOR PUBLIC PARKS, OPEN SPACE, AND OTHER RECREATIONAL FACILITIES, WHERE APPROPRIATE.

(7) LIBRARIES.

(8) GENERAL GOVERNMENT SERVICES. THE PROJECT SERVICE AND FACILITY DEMANDS FOR HEALTH, SOCIAL SERVICES, AND OTHER PUBLIC ASSISTANCE AND GENERAL GOVERNMENT SERVICES, AND ANY ASSOCIATED REVENUES, SHOULD BE DISCUSSED."

(9) OTHER REVENUES. DISCUSS THE OTHER REVENUES THAT WILL BE GENERATED BY THE PROJECT, AND ESTIMATE THEIR AMOUNT FOR EACH YEAR DURING THE DEVELOPMENT OF THE PROJECT AND ANY OTHER APPROPRIATE TIME(S) IN THE LONG-TERM. THE DEGREE OF SPECIFICITY REQUIRED

FOR THE ESTIMATE OF EACH REVENUE LISTED BELOW SHOULD CORRESPOND TO ITS PROPORTION RELATIVE TO THE TOTAL AMOUNT OF THAT REVENUE RECEIVED BY THE COUNTY.

a. PROPERTY TAXES. DISCUSS THE ANTICIPATED REAL AND PERSONAL PROPERTY TAXES GENERATED BY THE PROJECT.
   1. CURRENT REVENUE FROM SITE.
   2. FISCAL IMPACT.

b. SALES TAXES. DISCUSS THE FISCAL IMPACT OF THE ANTICIPATED SALES TAXES GENERATED BY THE PROJECT, BOTH ON AND OFF THE SITE.

c. STATE REVENUE SHARING AND GRANTS. DISCUSS THE FISCAL IMPACT OF THE ANTICIPATED REVENUES GENERATED BY THE PROJECT FROM THE HIGHWAY USER TAX, CIGARETTE EXCISE TAX, MOTOR VEHICLE LICENSE FEES AND TRAILER COACH FEES.

d. FEDERAL REVENUE SHARING AND GRANTS. DISCUSS THE FISCAL IMPACTS OF THE ANTICIPATED REVENUES GENERATED BY THE PROJECT FROM FEDERAL, GENERAL AND COMMUNITY REVENUE SHARING AND GRANT PROGRAMS.

e. MISCELLANEOUS REVENUE SOURCES. DISCUSS THE FISCAL IMPACTS OF THE ANTICIPATED REVENUES OF THE PROPERTY TRANSFER TAX, BUSINESS LICENSE TAX, TRANSIENT OCCUPANCY TAX AND VEHICLE CODE FINES GENERATED BY THE PROJECT.

J. Section 6-5(a) to read:

"(a) Adverse Effects Which Cannot be Avoided if the Proposal is Implemented. Describe any adverse impacts, includng those which can be reduced to an insignificant level but not eliminated. Where there are impacts that cannot be alleviated without imposing an alternative design, their implications and the reasons why the project is being proposed, notwithstanding their effect, should be described. Do not neglect impacts on any aesthetically valuable surroundings, on human health, OR ON PUBLIC SERVICES AND FACILITIES."

K. Section 6-5(b), subsection title to read: "Irreversible Environmental ECONOMIC AND FISCAL Changes Which Would be Involved in the Proposed Action Should it be Implemented."

L. Section 6-5(c) to read:

"(c) Relationship Between Local Short-Term Uses of Man's Environment and the Maintenance and Enhancement of Long-Term Productivity. Describe the cumulative and long-term effects of the proposed project AND ITS ALTERNATIVE(S) which adversely affect the state of the environmental, ECONOMIC, AND FISCAL SETTING. Special attention should be given to impacts which narrow the range of beneficial uses, pose long-term risks to health or safety, OR ELIMINATE SIGNIFICANT OPTIONS. In addition, the reasons why the proposed project is believed by the sponsor to be justified now, rather than reserving an option for further alternatives, should be explained."

M. Section 6-5(e) to read:

"(e) Mitigation Measures Proposed to Minimize the Impact. Describe any mitigation measures written into the project plan to reduce significant adverse ENVIRONMENTAL AND FISCAL impacts to insignificant levels . . ."

N. Section 6-5(f) to read:

"(f) Alternatives to the Proposed Action. Describe any known alternative(s) to the LOCATION, TIMING, OR CHARACTER of the project, SUMMARIZING DETAILS DISCUSSED IN SECTION 6-4 ABOVE, which could feasibly attain the basic objectives of the project, and give reason(s) why they were rejected in favor of the ultimate choice. The specific alternative of "no project" must also be evaluated, along with the impact. IF THE PROJECT DOES NOT CONFORM TO ADOPTED PLANS, THEN THE FUTURE WITH THE PROJECT SHALL BE COMPARED WITH THE FUTURE AS ANTICIPATED IN THE PLANS.

Attention should be paid to alternatives capable of substantially reducing or eliminating any adverse ENVIRONMENTAL, ECONOMIC, AND FISCAL impacts, even if these alternatives substantially impede the attainment of the project objectives."

O. Section 6-7 to read:

"6-7. Public PLANS, Policies, Laws, and Regulations Related to the Project. Describe pertinent regulations dealing with such factors as land use, water quality, air quality, and waste disposal, INCLUDING THE GENERAL PLAN AND ALL ADOPTED AND APPLICABLE SUB-AREA PLANS, PUBLIC SERVICES PLANS, AND URBAN DEVELOPMENT PLANS AND POLICIES. With respect to water quality aspects . . ."

SECTION II. STRATEGIC WORD CHANGES

A. The following references to "Environmental Impact Report(s)" or "EIR's" to read "IMPACT ASSESSMENT REPORT(S) or "IAR(S)" in the following locations:

Chapter 20.01 Sacramento County Code

Resolution Number 74-127 of the Sacramento County Board of Supervisors Procedures for Preparation and Processing of Environmental Impact Reports:

Title
Table of Contents
Section 1-2(b)
Sections 1-3(b), (h), (1), (m), (r), (t)
Section 1-5
Section 1-7(c)
Sections 2-3(b), (c), (d)
Section 3-1
Sections 3-2(a), (c)
Section 3-5
Section 3-6
Section 4-1
Section 5-2
Sections 5-2(a), (b), (c), (d), (e), (f)
Article 6 (title)
Section 6-6
Section 9-1
Section 10-1
Section 10-2
Section 11-1
Section 11-4
Notice of Completion
Notices of Determination (Environmental Impact Report) (Negative Declaration)
Environmental Certificate and Exemption Notice
Notice of Cancellation
Fee Schedule

B. The following references to "Draft Environmental Impact Report(s)" or "Draft EIR(s)" to read "DRAFT IMPACT ASSESSMENT REPORT(S)" or "DRAFT IAR(S)" in the following locations:

Table of Contents
Sections 1-3(g), (u)
Section 1-7(a)
Section 2-2
Sections 2-3(c), (d), (e)
Section 3-2(c)
Section 3-3(b)
Sections 3-4, 3-4(a), (b)
Section 5-1

Section 6-1
Section 7-2
Section 7-3
Section 7-4
Section 10-1
Notice of Cancellation

C. The following references to "Final Environmental Impact Report(s)" or "Final EIR(s)" to read "FINAL IMPACT ASSESSMENT REPORT(S)" or "FINAL IAR(s)" in the following locations:

Table of Contents
Section 1-3(q)
Section 1-4
Section 1-7(b)
Section 2-3(d), (e)
Section 3-2(c)
Section 3-4(a), (b), (c)
Section 4-3
Article 7 (title)
Section 7-1
Section 7-2
Section 7-3
Section 7-4

D. The following references to "Environmental Coordinator" to read "IMPACT ASSESSMENT Coordinator" in the following locations:

Sections 1-2(b), (c)
Sections 1-3(i), (q)
Section 1-5
Section 1-6
Section 1-7(a)
Sections 2-3(a), (b), (c), (d), (e)
Section 3-2(b)
Sections 3-3, 3-3(a), (b)
Sections 3-4(a), (c)
Section 3-6
Sections 5-2(b), (c), (f)
Section 10-1
Section 10-2
Notice of Determination (Environmental Impact Report)
Notice of Determination (Negative Declaration)
Negative Declaration
Notice of Cancellation

E. The following references to "Environmental Document(s)" to read "IMPACT ASSESSMENT Document(s)" in the following locations:

Sections 1-2(b), (c)
Section 1-3(j)
Section 3-2(a)

F. The following references to "Environmental Certificate" to read "IMPACT ASSESSMENT Certificate" in the following locations:

Section 1-2(h), (j) Environmental Certificate
Section 2-3(b) and Exemption Notice

G. The following references to "Environmental Questionnaire" to read "IMPACT ASSESSMENT Questionnaire" in the following locations:

Sections 1-3(j), (k) Section 2-3(d)

H. The references to "environmental impact" in Section 2-3(d)(6)(d) to read "COMPREHENSIVE Impact."

On a motion by Supervisor _____, seconded by Supervisor _____, the foregoing resolution was passed and adopted by the BOARD OF SUPERVISORS of the County of Sacramento, State of California, this _____ day of _____, 197_, by the following vote, to wit:

AYES:

NOES:

ABSENT:

(SEAL)

ATTEST:_____ _____
Clerk of the Board of Supervisors Chairman of the Board of Supervisors of Sacramento County, State of California

APPENDIX B

PROPOSED IMPACT ASSESSMENT QUESTIONNAIRE

The following Impact Assessment Questionnaire is proposed to replace the existing Environmental Impact Assessment Questionnaire contained in the Sacramento County EIR Guidelines. The format of the proposed questionnaire is similar to the County's existing questionnaire; only questions 3 and 7 ask for new information that pertains to the economic and fiscal characteristics of the proposed project. The proposed questionnaire is to be filled out jointly by the Coordinator and the developer and submitted to the Environmental Coordinator. The Coordinator then makes an Initial Study to determine whether an EIR containing an E/FIR is required.

PROPOSED SACRAMENTO COUNTY
IMPACT ASSESSMENT QUESTIONNAIRE

---

1. Name of Contact Person for Information Regarding this Project:

Name_____ Address_____

Telephone ( )_____ _____

_____

2. Assessor's No(s). (Book, Block, Parcel) of Project Site:_____

_____

3. Describe the Proposed Project in Detail (use separate sheet if necessary).

   A. Acreage of the Site

B. Proposed Use(s) of the Site

1. Type(s) of Use(s) Proposed
2. Acreage for Each Use
3. Proposed Alteration of Existing Terrain
4. Proposed Access

C. Residential Projects (where applicable)

1. Total Acreage for Each Type (e.g., single-family, mobile home, duplex, multi-family) Dwelling Unit
2. Anticipated Sales or Rental Price of Dwelling Unit by Type and Size of Unit

Structure Type; Renter or Owner Occupied	No. Units	No. Bedrooms	Price
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____

Total No. Units

_____

3. Anticipated Timing of Completion of Each Phase of Construction

D. Commercial and Industrial Projects (where applicable)

1. Total Acreage _____.
2. Net Sales or Manufacturing Area (square feet)
   a. Total _____ sq. ft.
   b. Individual rental space area:

Type Tenant Expected	sq. ft.
_____	_____
_____	_____
_____	_____

3. Parking: _____ acres; _____ spaces.

4. Anticipated Sales or Production Volume
5. Timing of Completion of Construction

The following information is required under Division 6, Title 14, Chapter 3, Article 9 of the California Administrative Code.

---

4. Describe the objectives of the proposed project.

5. Describe all mitigation measures proposed to minimize any adverse environmental, economic, and fiscal impacts that may be caused by the proposed project.

6. Explain why this project is justified now, rather than reserving an option for further alternatives in the future.

7. Describe the proposed project in detail, including design concepts and economic considerations. Also, specify the following:

   A. Indicate the jobs to be created (or eliminated). Specify, where possible, the new jobs directly created by the project, indicating the number of construction jobs and the number of permanent jobs expected.

B. Indicate any contacts made with suppliers of the following public facilities or services.

1. water supply
2. storm sewers, drainage
3. sewerage
4. police
5. fire
6. schools
7. parks and recreation
8. general government services
9. roads
10. libraries

FOR OFFICIAL USE ONLY

Control #_____

Coord #_____

Rec'd by_____

Date_____

Receipt #_____

Tax Code_____

General Plan Designation__

_____

Community Plan Designation_____

Zoning Classification_____

School District_____

Fire District_____

Water District_____

Parks and Recreation District_____

Companion Application

Type_____

Name_____

APPENDIX C

PRELIMINARY FISCAL IMPACT SUMMARY

A Fiscal Impact Summary would appear in the Impact Assessment Report. It summarizes the public service demands of new projects, the available capacity to meet the demands, and their costs on the tax levy and associated revenues. It would be highlighted in a summary statement within the E/FIR that would satisfy the requirement of Section 6.2, Summary, of the Sacramento County EIR Guidelines. Only those portions of the Fiscal Impact Summary would be included for which information on public services had been developed in the E/FIR (see Chapter IV, Section 3). The Fiscal Impact Summary would serve several purposes. First, it would provide a quantified overview of the impacts associated with public services and their consequent fiscal implications. Second, it would provide a systematic profile on every project facilitating a comparison of projects. Third, collectively the summaries could provide the basis for the preparation of the Annual Development Report (see Chapter VI, 2.d), summarizing the fiscal impacts anticipated from the development proposals approved during the year.

The questions implied in the Fiscal Impact Summary below must be regarded as preliminary. They have been developed on the basis of the information that the analyst can derive now, and are designed to show the relationship of uncommitted capacity to project demand and costs to offsetting revenue. To put the figures on impacts of a project and its alternative into perspective, the Summary asks for comparable information, where appropriate, on the district or County as a whole. There are, however, several instances where the methodologies at present do not permit a quantification of such relationships. As the County's use of the methodologies develops, and the cooperating County agencies and districts refine their perception of the differentials in service demand and cost associated with type of land use, its location and timing, the results of applying the methodologies can be refined and quantified, and the content of the Summary improved accordingly.

The following identifies and explains the sumbols used in the Summary.

S - This symbol appears wherever there is a district or agency standard with which to compare the anticipated circumstances associated with the

project and its alternative.

( ) - This symbol appears wherever the analyst should enter the date of the data used. Ideally all data utilized would be for the same, current calendar or fiscal year. However, given the likelihood of inconsistent data, the analyst should indicate the year to which the figures apply.

FISCAL IMPACT SUMMARY

General Characteristics

Project name

Type of project

Location of project

Describe the proposed project in detail: (Answer questions asked in No. 3 of the Impact Assessment Questionnaire, Appendix B, regarding the existing and proposed uses of the site, and details about any residential, commercial and industrial uses proposed for the site.)

Time of Project Development[1]				
County Statistics	Year 0 ( )	Year 1 ( )	.....	Year f.d. ( )
Population: Persons % of County Total Population: Families				
Enrollment (ADA)				
Assessed Valuation ($) % of County Total				

1. Statistics should be presented for the last year before project's impacts are felt, each year during the project's development, and the first year of full development (f.d.).

Indicators of Fiscal Impact

	Total District or County	Project	Alternative[1]
1. Water Supply (Name of district)			
A. Demand/Supply (mgd):			
Supply	( )	( )	( )
Demand	( )	( )	( )
Capacity committed (%)			
B. Cost/Revenue ($):			
Capital cost to extend service	---	( )	( )
Capital payments by project	---	( )	( )
Operating and maintenance costs	( )	( )	( )
User revenues from project	( )	( )	( )
2. Wastewater (Name of Agency)			
A. Demand/Supply (mgd):			
Supply	( )	( )	( )
Demand	( )	( )	( )
Capacity committed (%)	( )	( )	( )
B. Cost/Revenue ($):			
Capital cost to extend service	---	( )	( )
Capital payments by project	---	( )	( )
Operating and maintenance costs	( )	( )	( )
User revenues from project	( )	( )	( )

1. A column should be completed for each alternative identified in the E/FIR.

	Total District or County	Project	Alternative
3. Storm Drainage (Name of Agency)			
A. Cost/Revenue ($):			
Capital cost to extend service	---	( )	( )
Capital payments by project	---	( )	( )
Operating and maintenance costs	( )	( )	( )
Property tax revenues	( )	( )	( )
4. Schools (Name of district)[1, 2]			
A. Distance to receiving school (Name)	(S)		
B. Enrollment/Capacity (ADA):			
Capacity			
Enrollment			
Capacity utilized (%)			
C. Cost/Revenue ($):			
Capital costs/ADA	( )	( )	( )
Operating costs/ADA	( )	( )	( )
Revenue/ADA	( )	( )	( )
5. Roads			
A. On-site roads added by project (lin. ft.)	---		
Est. vehicles added by project	---		
B. Name of off-site road[3]			
Existing level of service		---	---
Projected level of service			

1. A section on Schools should be completed for every school that will receive students from the project.

2. For enrollment in grades K-8 (or 9) answer questions in subsections A and B for receiving school. For high school enrollment answer questions in subsections A and B for receiving district.

3. Subsections B and C should be completed for each road impacted by project. Name of road should identify segment to which data apply.

	Total District or County	Project	Alternative
C. Demand/Capacity (weekday trip ends):			
Capacity			
Demand			
Capacity utilized (%)			
D. Costs/Revenues ($):			
Off-site capital costs	( )	( )	( )
Capital payments by project	( )	( )	( )
Maintenance costs	( )	( )	( )
Revenues (to Road Fund) from project	( )	( )	( )
6. Fire (Name of District)			
A. Rate and duration of flow (gpm/hr.)			
I.S.O. rating grade	( )	( )	( )
B. Service costs (below average, average, above average)			
7. Police (Name of Agency)			
A. Critical response time	(S)		
Minutes of work on beat/hr.	(S)		
B. Service Costs (above average, average, below average)			
8. Parks and Recreation (Name of district)[1]			
A. Park space (total acres) (sq. ft./fam.)			

1. In this Section only subsection C regarding property tax revenues should be filled out for non-residential projects.

	Total District or County	Project	Alternative
B. Demand/Supply:			
Distance to neighborhood park	(S)		
No. of families in service area	(S)		
Capacity utilized (%)			
Distance to community park	(S)		
No. of families in service area	(S)		
Capacity utilized (%)			
C. Cost/Revenue ($):			
Costs of capital development	---	( )	( )
Capital payments by project	---	( )	( )
Operating and maintenance costs	( )	( )	( )
Revenues from property tax	( )	( )	( )
Project property tax as % of total	---		
9. Libraries (Name of County branch)			
A. Distance to library branch	(S)		
B. Demand/Supply:			
Circulation/year			
Staff required			
C. Service costs (above average, average, below average)			

APPENDIX D

FINDINGS OF THE TRIAL RUN OF THE METHODOLOGIES

Throughout the development of the Methodologies and Guidelines, training of the CDEPA staff in preparing E/FIR's has occurred. The trial run of the Methodologies has been one of the efforts along this line. Conceived as a way of illustrating the value of the application of the Methodologies, the trial run demonstrates that the analytic techniques of the Methodologies can be applied to the preparation of E/FIR's on development proposals and can provide results that indicate, at this stage in the sophistication of available data in Sacramento County, the problems of provision of services and facilities. The following is a report of the trial run. It emphasizes the types of results that the County can expect rather than the results themselves.

This report on the trial run contains five sections. The first indicates how the hypothetical proposed development project was developed and its site selected. The second reports the types of public service and facility impacts for each service revealed by conducting a fiscal assessment of the project. The third outlines the resulting impact on revenues which the assessment uncovers, and the fourth summarizes impacts on housing, employment, and land use. The fifth points out some contributions the trial run made to the Methodologies and Guidelines.

1. Selection of the Hypothetical Project and its Site

The development of a hypothetical project required a collection of decisions made jointly by the CDEPA staff and its consultants regarding the location of the project, the type of development it should contain, and the timing of its construction. The hypothetical project is one of three developed for selection by the CDEPA staff, each reflecting a type of development that appeared likely to occur under the existing conditions of each site, and regulations governing them.

The selection of the three specific sites chosen for staff consideration attempted to satisfy the following criteria:

A. Areas that could and most likely would experience urban expansion and possibly in-filling in the short-term;
B. Areas that could and most likely would accommodate several types of land uses (residential, retail or office, commercial, industrial, recreational development);
C. Areas that had recently prepared community plans, and hence might have recently expressed policies that were likely to have implications for service expansion and perhaps for the financing of this expansion.

The service districts and agencies which would provide services for each of the three sites, if they were developed, were interviewed by teams composed of one member of the CDEPA's Environmental Management Task Force and one member of the consultant's staff. The purpose of the interview was to determine generally the district's or agency's capacity to provide services to development, and the real costs (as distinct from the charges, which were found not necessarily to be the same) of providing new services in various areas of its jurisdiction. Based on the variety of land use types in the hypothetical project and the responses to the interview, the project on the North Highlands site was chosen for the trial run.

The North Highlands hypothetical project is located on a site containing 59.75 acres of very gently sloping land, surrounded to the south and west by residential development and vacant land to the north and east. It lies within the jurisdiction of the following service districts and agencies:

School: Rio Linda Union Elementary School District and Grant Union High School District
Fire Protection: North Highlands Fire District
Water Supply: Northridge Park Water District
Parks and Recreation: North Highlands Recreation and Park District
Storm Drainage: Sacramento County Water Agency

Sanitary Sewerage: Sacramento County Regional Sanitation District

Roads, Libraries, and Police Protection: Sacramento County Department

The project's land use configurations and types reflect the designated and permissible uses outlined in the North Highlands Community Plan and the Sacramento County Zoning Ordinance. An alternative project was devised for the purposes of the trial test, whose land uses reflect the designations of the County General Plan. The character of the selected land uses reflects the County's recent development experience but in no way was based on marketing analyses.

The project comprises commercial and a variety of residential development types. It includes 121 single-family homes, 48 dwelling units in duplex, structures averaging 3,000 square feet of lot area for each unit, 25 multiple-family dwelling units with 2,000 square feet of lot area per unit, 203 mobile home rental pads averaging 4,100 square feet per pad area, and an 8.4-acre shopping center. The entire project is assumed to be completely constructed within a three-year period. In the first year 258 dwelling units and mobile home pads will be constructed and occupied: 100 single-family units, 48 dwelling units in duplex structures, 25 dwelling units in multi-family structures, and 85 mobile home spaces. In the second year 21 single-family units and 85 mobile home pads will be constructed, and in the third year the final 33 mobile home rental pads will be completed. The average sales or rental prices were hypothesized as follows:

Single-Family Homes: $35,000

Dwelling Units in Duplex Structures: $165 per month for two-bedroom units; $200 per month for three-bedroom units

Dwelling Units in Multi-Family Structures: $160 per month for two-bedroom units; $190 per month for three-bedroom units

Mobile Home Spaces: $100 per month.

When totally occupied the project's residents would number 1,333, assuming 2.3 persons per mobile home unit and 3.23 persons for all other dwelling

units.[1]

The project's shopping center is the neighborhood type with a medium-sized supermarket and drug store as anchor tenants. Building coverage is estimated to equal 87,000 square feet, approximately 70 percent of which is sales area. In addition to the chain grocery store renting a total space of 32,000 square feet and the drug store renting 18,000 square feet, the shopping center would expect to be occupied by a branch office of a bank, a savings and loan association office, a notions store, a dry cleaners, a hardware store, a laundromat and coin-operated cleaners, and a bakery and coffee shop, all in spaces ranging from 4,000 to 7,000 square feet. It is assumed that in the fifth year of operation of the shopping center, its sales volume (in 1975-constant dollars) would equal $100 per square foot of new sales area and gross sales of about $6,000,000 (in 1975-constant dollars), if it performs like the average West Coast neighborhood shopping center in 1975.[2]

The alternative project consists of 500 dwelling units of single-family homes and 135 dwelling units in duplex structures. The units would be constructed over a four-year period. It is assumed that 70 single-family dwelling units will be completed each of the first three years and 58 in the fourth year; and that 40 units in multi-family structures will be completed in the first two years and 36 in the third year. When fully occupied, 1,239 residents would reside in the project area.[3]

The assessed valuations for the project and the project alternative were calculated to be one quarter of their projected market values. Appropriate market value projections for residential and commercial development were developed from conversations with local realtors in Sacramento County and

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1. Source: Derived from 1974 information on RAD #54, Sacramento Regional Information System (SRIS), developed by the Sacramento County Regional Area Planning Commission. The latter figure may obscure differences in actual number of occupants by type of dwelling unit. Such differences, of course, could alter the findings of an E/FIR.

2. Source: McDonald & Smart, Inc. estimate based on sales-volume trends recorded in Dollars and Cents of Shopping Centers, Urban Land Institute, Washington, D.C., 1970, '71, '72 and '73.

3. Source: SRIS, 1974 data.

rule-of-thumb estimates, and are as follows for the project and the project alternative:

Single-Family Homes	$35,000 (house and lot)
Duplexes	$20,000 per unit (includes land)
Apartments	$25,000 per unit (includes land)
Mobile Home Park	$ 5,000 per pad (includes recreation area)
Shopping Center:	
Land	$.50 per square foot
Improvements	$25 per net rentable square foot (in addition, unsecured assessed value is assumed to equal 25 percent of the value of building improvements.)
Parking and Landscaping	$200 per parking space

2. The Impacts of the Project on Public Services

Application of the analytic techniques of the Methodologies to the project and the project's alternative produce the following kinds of information about impacts on the service districts and agencies:

A. Public Education

Uses of the public education Methodology reveal whether or not the district's existing facilities and teaching staff have the capacity to accommodate the students proposed to be added by the project, and whether or not expansion will be required. In the case of the project, 134 elementary school children and 40 high school students would be added over a three-year period to schools where enrollment has declined more than the projected addition of students, as shown in Table D-1.

Table D-1

EXPECTED SCHOOL ENROLLMENT

Year	Rio Linda Elementary School	Grant Union High School	Project[2] (New Students) Elem.	Project[2] (New Students) HS	Project Alternative[2] (New Students) Elem.	Project Alternative[2] (New Students) HS
1974-75	7,904	13,600				
1975-76	7,576	12,800				
1976-77	7,720	(1)	88	26	38	11
1977-78	7,878	(1)	36	11	38	11
1978-79	8,003	(1)	10	3	36	11
1979-80	8,173	(1)	0	0	20	6
TOTAL			134	40	132	39

1. Grant Union does not make long-range enrollment predictions; however, their enrollment trends suggest a gradual decline over the 1970's.
2. Basis of enrollment projections for project and its alternative: 0.341 students per dwelling unit for K-6, and 0.1 students per dwelling unit for grades 7-12.

Source: Rio Linda Elementary School District, Grant Union High School District.

The elementary school students would attend Village, Larchmont, or Allison elementary schools, the junior high school students would be assigned to Don Julio Junior High School, and Highlands High School would take the senior high school students. Because of declining enrollments in these elementary schools and in the high school district, the added project enrollment would only reduce the overall decline. The enrollment impact of the project is relatively modest, given the size of the districts.

There would be a neutral to positive effect on school district revenues because of the $800 to $1,000 increase in revenue per average daily attendance (ADA) which the district would receive, while the schools' costs would include no additional expenditure for busing, portable classrooms, or teachers. The local property tax burden probably would remain unchanged

because the project would not significantly affect the assessed valuation of the district per ADA. The alternative project demonstrated a slightly more favorable fiscal impact since its assessed value is slightly higher, as indicated in Table D-2.

Table D-2

ASSESSED VALUATION PER AVERAGE DAILY ATTENDANCE

Year	Rio Linda	Grant Union	Project	Project Alternative
1974-75	$11,650	$14,500	$12,200	$16,600
1975-76	12,800	*	13,800	16,600
1976-77	12,800	*	13,800	16,700
1977-78	*	*	*	17,100

* Not Available

Source: Current data from School District, projections by McDonald and Smart, Inc.

B. Library

The library Methodology utilizes the number of new persons the project will add, the County library expenditure and expenses per capita, and the property tax revenues which will be generated by the project and its alternative in order to calculate the excess capacity in existing facilities which the project will fill and the new revenues it will provide. In the case of the North Highlands project, the North Highlands Branch Library is being used near capacity, and additional library expenses resulting from the project are anticipated to be greater than the property tax revenues for libraries. The alternative project indicates a slightly larger deficit in revenues over costs.

C. Recreation Services and Parks Facilities

The parks and recreation Methodology provides a means for determining whether or not the project's population will place more demand on

district facilities than it will supply in new facilities. It also permits the cost to the district of improving any acreage dedicated by the project in lieu of fees (either of which is required by the County Park Dedication Ordinance) to be weighed against the district's revenues from property tax.

In this project, the district indicated it would accept the on-site land dedication of slightly over two acres for a park which the district would improve at an estimated cost of $6,000 per acre, or a total improvement cost of $14,000. Calculations of property tax revenues to the park district from the project at full development would amount to almost $14,000 (at the district's 1975 tax rate), indicating that the project itself could underwrite the required improvement costs. Both the project and its alternative probably will have a higher assessed value per capita than those in the rest of the North Highland Park and Recreation District. This means that, holding all other things equal, at the existing tax rate, the quality of service throughout the district theoretically should increase slightly or, conversely, holding quality of service constant, the district tax rate could be reduced slightly. The project alternative, having a very slightly higher assessed value per capita, will have a marginally better fiscal impact.

D. Water Supply

The project water supplier would be the Northridge Park County Water District. The availability of water supply (ground water) in the district is adequate. The proposed project is not contiguous with existing development and would require a dual water source. A minimum of two wells or one well and a main extension from Keema Avenue would be required.

According to the water district, the location of the project in Improvement District 2 would have higher than average supply costs because of its isolated location.

Under existing contract provisions the Bohannon Organization would be financially responsible for all water works facilities installed (production and distribution), though in practice the District pays for production facilities from bond proceeds.

Standard practice is sale of general obligation bonds with debt service paid by water user charges. (Residential units pay a flat rate based on lot size, commercial users are metered and have a bulk rate schedule that decreases as the volume of water used increases.) The exact amount of the costs to the Water District for production facilities,[1] and for operation and maintenance of the system, cannot be estimated before system design. However, it is clear that this development will incur higher than average capital costs due to its isolated location. These costs will be paid eventually by Improvement District 2 water users. The developer may incur added interest costs since the District may not begin reimbursement for water production facilities until water revenues[2] are available. If a main is extended from Keema Avenue, reimbursement may not occur until the area between Keema and the project's northern border is developed.

Finally, providing water at this time to this project would amount to inefficiencies in resource allocation: the requirement of a dual water source and the lack of a nearby main for connection means higher capital outlays. It also means a greater supply of water will be available initially than is necessary since the project will require a dual source from the first while actual development will be phased over several years.

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1. Improvement District 2's contract with Bohannon specifies he is financially responsible for all waterworks facilities; however, the District actually covers the cost of production facilities.

2. On the average, the district presently spends $85,000/well for which the supply is normally 1200-1500 gpm.

E. Wastewater Service

The impact assessment findings for sewage systems are very similar to those for water supply. The developer would pay the cost to extend the trunk line. The cost of sewage treatment and transportation is paid almost entirely by user charges levied by the new Regional Wastewater District. Since there is no reported capacity problem for waste water treatment, and the developer pays for the initial hook-up, neither the project nor its alternative, nor most other typical developments, will be expected to demonstrate a significant fiscal impact on the provision of waste water services.

F. Storm Drainage

Capital costs for improving storm drainage are financed by development fees. Actual construction costs depend on conditions of the specific site, such as the relative location and condition of existing waterways, soil conditions, level of the water table, need for pumping plants, etc. Maintenance costs are financed through property taxes. For new small projects like this prototype, the annual tax collected is expected to be sufficient to cover actual maintenance. No fiscal impact is anticipated.

G. Fire Protection

The findings from applying the fire protection Methodology will indicate whether the project is within the desired distance from an existing fire station, and whether the district's tax rate is at or below its SB 90 tax rate limit. If the tax rate is below the limit, there is some cushion against future budget problems. The Methodology will also detail the costs of extending the fire hydrant water supply. For the project the Methodology indicates that, as a whole, it is within normal fiscal paramaters, is not now served by public water supply, but is near enough to assure no system extension problems, and pinpoints aspects of the project that might be eliminated (mobile homes) or flagged for later attention (in more detailed plans).

The Methodology also permits comparison of the costs involved in providing fire protection to the prototype project with those of its alternative. The project's single-family homes and shopping center are easy and financially advantageous to service; its duplexes and apartments depending on building design are potentially difficult to service; and its mobile homes, which are highly combustible, generally represent a vehicular access problem, and provide insufficient fire tax revenues compared with the costs than can be expected to protect them. Conversely, the project alternative, containing only single-family and duplex structures, should be less costly to service and provide slightly more tax revenues because of its marginally higher assessed value. In either case, the lack of a specific site plan hinders calculation of a more precise impact.

H. Police Protection

The police protection Methodology indicates the sufficiency of patrol beats in or adjacent to an area, and determines whether with the increased demand the police are still able to respond efficiently to any peak crime periods. In the case of the project, North Highlands is a comparatively high crime area, but the existing patrol beats are adequate to service the new development. Determination of the detailed impacts of providing police protection is difficult without an actual site plan, but some general conclusions can be formulated. The shopping center and the apartments present visibility problems for patrol cars and are considered more difficult to service, while single-family homes and duplexes are expected to be relatively trouble free. Thus, the Methodology does not provide a cost/revenue balance sheet for analysis, but does indicate whether a project as a whole is within normal fiscal parameters, and pinpoints potential problem areas. The Methodology does not deal with the high cost consequences, if any, of the fact that North Highlands is a relatively high-crime area, and whether the high rate might extend to the project.

I. Roads

The roads Methodology is based on the quantity of street surface, lights, signs and stripes, etc., added to the County system by the project. For the prototype project and its alternative the Methodology indicates that the road revenues generated can be expected to be greater than the added costs of maintaining the additions to the County system caused by the project. What the methodology does not account for is potential added construction and maintenance costs elsewhere on the County system caused by the increased traffic on existing County roads. The impact conclusions afforded by the Methodology would be more detailed for an actual project proposal, where trip origin and destination data could be employed.

J. General Government

This is a composite category of County provided services that are not included in the nine specifically treated in the methodologies. As reflected in the county budget, the County provides general government; judicial, detention and correction and other public protection services (besides police and sheriff); health and sanitation and public assistance services.

As described in the methodology, most of these service costs may be estimated on a per capita basis (excepting general government). Following the methodology described in the Methodologies, general government costs average $233/capita for 1974-75 (see Table D-3) and would not be significantly different for this project. A five-six percent annual increase may be appropriate based on past budget trends.

Table D-3

ESTIMATED GENERAL GOVERNMENT COSTS,
SACRAMENTO COUNTY, 1974-75

	(Budget Figures in Thousands)	
Sacramento County Budget (adopted)	$214,000	
1. General Government	27,866	
less: roads	394	
	27,472	
divided by 50%		$13,736
2. Public Protection	45,466	
less: airport law enforcement, sheriff, wild and predatory animal control, Fund 13, building inspection, animal control, fish and game propagation, and planning	20,589	
		24,877
3. Health: Sanitation		14,704
4. Public Assistance		96,931
5. Debt Service		1,238
6. Contingencies		9,625
Total		$16,111
Per Capita Cost (County population 690,900)		$233/capita

Source: Sacramento County Budget 1974-75.

The proposed project is not expected to have any fiscal impact on the county-wide services or their costs since the residential population is expected to have a typical age distribution (not weighted toward elderly) and be approximately middle income (no welfare demands likely) and, generally, follow the average county service demand pattern.

3. Revenue Impacts of the Project

The application of the Methodologies to the North Highlands project and its alternatives reveals the following anticipated revenue effects, all expressed in 1975-constant dollars:

A. Sales Tax Revenue

If the project would add new residents to the County, as is assumed, then they would spend some portion of their income on taxable sales. The Methodology permits calculation of the projected increase in sales tax revenue to the County by making certain assumptions about the income level of these new County residents based on their ability to afford the new housing units provided by the project (see Table D-4).

Table D-4

ANNUAL INCOME EXPECTATIONS

Project	Monthly Housing Costs	Median Annual Income
R-1	$240	$11,500
R-2 (a)	160	7,700
(b)	200	9,600
R-3	160	7,700
RM-1	100	4,300
Alternative		
R-1	$240	$11,500
R-2	195	9,360

Source: McDonald and Smart, Inc.

A one-percent local sales tax is remitted quarterly to Sacramento County on the basis of the taxable sales for that period. Administrative costs lower the remittance to the County to 0.95 percent. In the case of the project, the estimated total taxable sales in 1980 would be $13,677,000 (see Table D-5), from which the County would receive approximately $130,000 in sales tax revenues (see Table D-6). The alternative project, which would attract slightly higher income residents, would generate $146,000 in sales tax revenues for the County in 1980.

Table D-5

PROJECTED ANNUAL TAXABLE SALES

Projects	Units 1976	Units 1980	Units 1985	Taxable Sales Per Unit	Total Taxable Sales ($ Thousands) 1976	1980	1985
R-1	100	121	121	$4,100	$410.0	$ 496.0	$ 496.0
R-2 (a)	24	24	24	3,500	84.0	84.0	84.0
(b)	24	24	24	3,800	91.2	91.2	91.2
R-3	25	25	25	3,500	87.5	87.5	87.5
RM-1	85	203	203	3,000	225.0	609.0	609.0
Total					$897.7	$1,367.7	$1,367.7
Alternative							
R-1	70	268	268	4,100	$287.0	$1,098.8	$1,098.8
R-2	40	116	116	3,780	151.2	438.5	438.5
Total					$438.2	$1,537.3	$1,537.3

Source: McDonald and Smart, Inc.

Table D-6

ESTIMATED SALES TAX TO SACRAMENTO COUNTY

Year	Project	Alternative
1976	$ 85,000	$ 42,000
1980	130,000	146,000
1985	130,000	146,000

Source: McDonald and Smart, Inc.

B. Property Tax Revenues

The increase in property taxes is estimated from the total value of improvements and the phasing of the development, as shown in Table D-7. Assessed values for the project include unsecured property (furniture, equipment, and inventories) in the shopping center as well as the secured property (see Table D-8). When all development is completed no new increments in assessed value are assumed to occur. By applying the current tax rate for Sacramento County to the market value of the improvements, and dividing by ratio of market to assessed value, the Methodology permits computation of the total property tax revenues generated by the project, as shown in Table D-9.

Table D-7
PROJECTED ASSESSED VALUATION DURING DEVELOPMENT PHASE
(Thousands of Dollars)

	Year of Development				
Project	1976	1977	1978	1979	Total
R-1	875.00	183.75			1,058.75
R-2	300.00				300.00
R-3	62.50				62.50
RM-1	106.25	106.25	41.25		253.75
Shopping Center:					
Land	52.50				52.50
Improvements:					
Rentable Space		393.75			393.75
Parking, Landscaping		35.00			35.00
Unsecured Property		100.00			100.00
Total	1,396.25	818.75	41.25		2,256.25
Alternative					
R-1	612.50	612.50	612.50	507.5	2,345.00
R-2	200.00	200.00	180.00		580.00
Total	812.50	812.50	792.50	507.5	2,925.00

Source: McDonald & Smart, Inc.

Table D-8

ASSESSED VALUE OVER TIME

(Thousands of Dollars)

Project	1975	1976	1980	1985
Secured	26.00	1,396.25	1,256.25	2,156.25
Unsecured	———	———	100.00	100.00
Total	26.00	1,396.25	1,356.25	2,256.25
Alternative	26.00	812.50	2,925.00	2,925.00

Source: McDonald and Smart, Inc.

Table D-9

PROPERTY TAX REVENUES*

Project	1976	1980	1985
Secured	$56,600	$ 94,000	$ 94,000
Unsecured	4,700	4,700	4,700
Total	$61,300	$ 98,700	$ 98,700
Alternative	$35,400	$127,600	$127,600

* Based on current tax rates: Secured Tax Rate $4.364/$100 Assessed Value; Unsecured Tax Rate $4.74/$100 Assessed Value.

Source: McDonald and Smart, Inc.

C. Motor Vehicle License Fees

The motor vehicle license fees are collected by the California State Department of Motor Vehicles and deposited in the motor vehicle license fee fund. After deducting certain administrative fees, the remaining amount (except for that collected on trailer coaches) is apportioned

on the basis of 50 percent to cities and 50 percent to counties. The amount apportioned to each county is the proportion of its population to that of all counties. Currently, the per capita amount received by a county is $6.85 annually. Therefore, only a very large project would have a significant effect on this revenue source, so that analysis is not warranted for a project the size of the prototype project, or its alternative project.

D. Mobile Home License Fees

The Methodology permits calculation of the increased revenue from the annual purchase of mobile home licenses based upon certain assumptions which must be made about the age, size, and value of mobile home units placed in the new development. The California State Department of Motor Vehicles collects a tax of two percent of the market value on all mobile home units, and allocates 50 percent of it to the local school district, and 50 percent to the county.

For the prototype project, it was assumed that 60 percent of the mobile homes would be "double wides", valued at $12,000-$14,000, and the remaining ones would be "single wides", valued at $7,000-$8,000. According to the standard depreciation schedule, by 1980 the mobile home license fee revenue would amount to $21,280, to be divided equally by the school district and the County. By 1985, it would decrease to $19,440, and continue to decline unless new mobile homes were introduced. Since the alternative project contains no mobile homes, it would not generate any mobile home license fees.

4. Impacts of the Project on Housing, Employment, and Land Use

In addition to the above discussed fiscal impacts, the project will generate other economic effects, categorized here in terms of impacts on housing, employment, and land use. The approach to the analyses is drawn from the Methodologies on these subjects.

A. Housing Impacts

A housing project should be examined on the basis of its compatibility with existing plans and current community housing needs. The latter includes assessment of the area's vacancy rates, adequacy of the existing housing stock, and availability of housing units at prices the community can afford. Impact assessment should also consider who the proposed residents are likely to be, and specifically, whether they would be from the metropolitan area or in-migrants to Sacramento.

The proposed project is generally consistent with the housing goals and land use designations of the North Highlands Community Plan.[1] The project would contain a mix of residential types including mobile homes, multi-family units, and single-family units. While the Community Plan specifies a policy to "protect single-family areas from . . .incompatible multi-family or mobile home development or other uses which would tend to deteriorate the quality of residential neighborhoods," given the location of the project (at the intersection of Walerga Road and Elkhorn Boulevard) and the hypothetical project's arrangement of land uses which shows a self-contained mobile home park, this project would not appear to pose such a threat. The project appears consistent with another County and community goal of providing a mixture of residential types at price ranges which would promote integration of different income groups in the area.

Current housing vacancy rates in the area should be checked using postal vacancy or FHA vacancy surveys, or "VEX" data from the Sacramento County Refuse Collection Service. If the existing vacancy rates in the area are over six percent in single-family units and over twelve percent in multi-family units, the analyst can legitimately question the marketability of a new project in the area.

The North Highlands area according to the County's 1975-76 application to HUD for Housing and Community Development Act assistance is in

1. North Highlands-North Central Area Community Plan, adopted April 1974.

need of new and improved residential units. This project positively addresses that need and does provide units at prices the existing community can afford.

In terms of who the new residents are likely to be, it is most probable that the project residents would come from the Sacramento Metropolitan area. The major employer in the area, McClellan Air Force Base, is not expanding employment. While some of the new residents may be transfers to the Air Force Base, the majority would represent new household formations in the metropolitan area.

B. Employment Impacts

The Methodology for employment impact assessment at the project level involves consideration of both short-term construction employment and long-term permanent employment. It also concerns the relationship of housing and employment and, specifically, where the new residents are likely to be employed.

1. Short-Term (Construction) Employment

The estimated labor force required to construct the prototype project is about 150 person-years, equivalent to 150 persons employed full-time for one year. This estimate is based on estimating the total project cost, attributing some percentage of the total project cost to labor costs, and then dividing the labor costs by an annual average construction worker wage to arrive at the number of person-years.

The total project cost for the planned three-year development amounts to approximately $10 million (including land costs).[1] Labor cost is estimated at about $2 million, or 20 percent of the total. Using an average (skilled and unskilled) annual

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1. The project total cost was calculated above in estimating assessed valuation and amounts to approximately $9.8 million, or 25 percent of $2,256,250 (assessed valuation).

construction worker wage of $14,000, this amounts to roughly 150 person-years.

All of the construction workers would be expected to come from the Sacramento metropolitan area labor force.

2. Permanent Employment

Permanent employment attributable to the prototype project will be composed primarily of employees of the shopping center with an incidental number of management, operation, and maintenance persons associated with the mobile home park.

Some 200 persons are expected to be employed at the retail center. This projection is based on the rule-of-thumb of approximately one full-time employee per 300+ square feet of net leasable space, or one full-time employee per $30,000 gross sales volume. The mobile home park employment would not be more than six full-time persons.

Local persons are expected to fill these newly created jobs. They would not necessarily be residents of the project. Since all of the estimated employment is service rather than base employment, the project would not have a multiplier effect of generating more permanent jobs in the community.

C. Impacts on Land Use

Impacts on land use at the project level may consider whether the area's land uses are more or less balanced by the proposed project and whether there is evidence of incompatible land use as a direct or indirect result of the project.

Since the project is consistent with the Community Plan in terms of land use, no adverse effects are anticipated. North Highlands is not a typical suburban community, but an area with a relatively

amount of industrial and commercial uses. The mixture of residential types appears compatible with the composition of the existing community and its projected housing needs. Specifically, the proposed neighborhood shopping center is more in keeping with the community's plan to promote location of retail outlets in shopping centers than in strip commercial zones. It should be mentioned, however, that the project itself will not be able to fully support the proposed shopping center and that the center would draw patronage away from existing outlets, particularly strip commercial establishments. This must be considered an adverse effect. Mitigating measures would include relocation of viable strip commercial retail establishments to the new center and conversion/redevelopment of the strip commercial acreage to other commercial (non-convenience shopping retail) uses.

D. Implications of the Trial Run for the Fiscal Impact Summary

The trial run of the Methodologies has had a significant effect on the formulation of the Methodologies and Guidelines. Working through the trial run indicated a need for a number of ways to clarify and simplify the application of the Methodologies. The notion of developing threshold directives (see Chapter IV, Section 2.c) grew directly out of the discovery that the very lengthy process of applying the Methodology for schools was unnecessary for a number of cases where the results could be accurately predicted to have a favorable fiscal impact or where the inadequacy of the available data seriously limited the value. The idea of a Fiscal Impact Summary (see Appendix C) developed during the writing of the conclusions of the trial run when it became apparent that a shorthand method of indicating the salient indicators of significant impact was necessary to simplify the presentation of the results of applying the Methodologies. These two examples are the most important; there are, however, many others.

It should be mentioned that the trial run was conducted before the idea originated for the threshold directives and the fiscal impact summary. For this reason the Methodologies were applied in a number of instances where, had the threshold directives been developed, the application would not have been necessary. Also for this reason there is no fiscal impact summary of the trial run.

APPENDIX E

DATA REQUIRED FOR PUBLIC SERVICES AND FACILITIES METHODOLOGIES

The following information is required from public services and facilities for use in applying the analytic techniques of the Methodologies. The specific information needed from each district or agency, the source of the information, the time for updating it, and the time of year when the information is available are all given below.

DATA REQUIREMENTS FOR THE E/FIAP

Data Required	Source	Time of Update	When Available
School Districts			
1. Enrollment Projection by District, School	School District Superintendent	Annual	August-November
2. School District Assessed Valuation Projections	"	"	"
3. Enrollment Capacity for Each School	"	Only if Change Occurs	"
4. Operating Costs per ADA	"	Annual	"
5. Revenue Limit per ADA	"	"	"
6. Attendance Boundaries for Elementary Schools	"	Only if Change Occurs	"

	Data Required	Source	Time of Update	When Available
7.	District Annual Budget	School District Superintendent	Annual	August-November
8.	Current and projected teacher: pupil ratios	"	"	"

Parks and Recreation Districts

1.	District Population (trends or projections, as available)	District Manager	Annual	December or June (depending on district's fiscal year)
2.	District Assessed Valuation	Auditor	"	"
3.	District Budget	District Manager	"	"
4.	Master Plan with Facilities Map	"	When Plan Changes	"

Libraries

1.	County Master Plan for Physical Development	City-County Librarian	As Plan Changes	
2.	City and County Library Annual Budget	"	Annual	December

Data Required	Source	Time of Update	When Available
Fire Protection			
1. Service District Area Map	Fire Chief	Only if District Changes	
2. Service Area Population	"	Annual	
3. Current Land Use Information Map	Planning Department	Annual Update	
4. Insurance Services Office (ISO) Rating Map	Fire Chief	Only if Change Occurs	
5. Capital Improvements Plan	"	When Plan Changes	
6. Current and Projected Staff Needs	"	Annual	June, with Budget
7. District Assessed Valuation	Auditor	Annual	June
8. District Budget	Fire Chief	Annual	June
Police Protection			
1. District Area Map	Sheriff's Department	Only if Change Occurs	
2. Cost of Patrol by Type of Land Use	"	Annual, if Possible	
3. Current and Projected Staff Needs in Area	"	"	
4. District Budget	"	"	June
5. Assessed Valuation	Auditor	"	"

Data Required	Source	Time of Update	When Available
Water Service (public purveyor)			
1. Service District and Map of Population Served	District Manager	Annual Update	As Available
2. District Budget	"	Annual	June
3. Existing Demand	"	"	
4. Existing Capacity	"	"	
5. Projected Demand	"	As Available	
6. District Master Plan for Facility Development	"	When Change Occurs	
Wastewater Service			
1. Service District Map Indicating Pipe Size and Location and Treatment Size and Estimate of Population Served	Regional District Manager	Annual Update	As Available
2. District Budget	"	Annual	June
3. District Master Plan for Facilities Development	"	When Change Occurs	
4. Existing Demand	"	Annual	
5. Existing Pipe and Treatment Facility Capacity	"	"	

	Data Required	Source	Time of Update	When Available
6.	Projected Treatment Facility Needs	Regional District Manager	If Change Occurs	
7.	Assessed Valuation	Auditor	Annual	June

Storm Drains

1.	Map of Areas Served	Water Agency Manager	Annual Update	As Available
2.	District Budget	"	Annual	June
3.	Assessed Valuation	Auditor	"	"

Roads

1.	County Budget	County	Annual	June
2.	Map of County-Maintained Roads	"	As Change Occurs	
3.	Assessed Valuation	Auditor	Annual	June
4.	Current Level of Road Usage and Design Capacity of Roads	County	"	

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